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PJM

## PJM Receives 94 Applications for Expedited Interconnection Process



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PJM says adding 50 projects to Transition Cycle 2 could allow capacity that can be brought to service quickly to help address a potential capacity deficiency identified toward the end of the decade.

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***PJM Responds to FERC Co-located Load Investigation*** (p.31)

***Legislators in PA, MD Seek Greater Transparency on PJM Voting*** (p.33)

FERC/FEDERAL



House Energy and Commerce Committee

### All 7 ISO/RTOs Send Senior Executives to Update Congress on Reliability (p.3)

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***Industry Anxiety over Grid Reliability Overblown, Panel Says*** (p.5)

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EMC Engineering Services

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FERC's continued inaction on ISO-NE's Order 2023 compliance has caused the RTO to miss multiple key implementation deadlines, spurring concerns that the uncertainty caused by the delay will push back the development timeline of some resources in the queue.

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PJM



Constellation Energy

### Constellation-Calpine Merger Draws Protests over Market Power Concerns in PJM (p.34)

Several protests urged FERC to reject the merger, while PJM's Monitor called for additional behavioral requirements on the combined firm.

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# All 7 ISO/RTOs Send Senior Executives to Update Congress on Reliability

By James Downing

WASHINGTON — Senior executives from all seven ISO/RTOs testified March 25 about how they are maintaining reliability in the face of growing demand at the House Energy and Commerce Subcommittee on Energy.

Subcommittee Chair Bob Latta (R-Ohio) noted that NERC has forecasted that 52 GW of generation is retiring in the next four years as demand is shooting up from data centers around the country.

"When operating correctly, electricity markets should allow clear market signals to drive investment into new generation; efficient interconnection of new resources should address increasing demand; and coordinated transmission planning should bring needed electricity supplies to growing load centers," Latta said. "However, these organizations and their electricity markets do not operate in

a vacuum."

Policies like EPA rules and tax credits for renewables have helped to undermine the economics of baseload power and are impacting the markets, Latta said.

Ranking Member Kathy Castor (D-Fla.) noted that the hearing's focus on reliability ignores negative impact from Republican policies, including Congress trying to end subsidies for renewables and President Donald Trump's executive actions.

"The energy affordability crisis we are grappling with today requires real, forward-looking policy solutions," Castor said. "It requires a politically independent and well-staffed FERC."

During the question-and-answer period, Castor noted that Trump recently fired the two Democratic members of the Federal Trade Commission, even though it already had an open seat that, once

## Why This Matters

Reliability is made more difficult because of the growth from data centers while dispatchable, thermal generation sources are retiring. What is waiting in the queues is almost all intermittent renewables, which help but cannot replace dispatchable power one for one.

filled, would have produced a Republican-appointed majority. FERC is one of many agencies where longstanding precedent holds that members can only be fired for cause, which is likely to be the central issue of litigation over the



From left: PJM CEO Manu Asthana, ISO-NE CEO Gordon van Welie, MISO Senior Vice President Jennifer Curran, NYISO CEO Richard Dewey, incoming SPP CEO Lanny Nickell and CAISO CEO Elliot Mainzer. | House Energy and Commerce Committee



FTC commissioners and other firings by Trump.

"Is more politicization of FERC a good thing or a bad thing?" Castor asked the assembled ISO/RTO leadership.

All the ISO/RTO leaders said that a more independent FERC is better, including ERCOT CEO Pablo Vegas, whose organization interacts more with the Texas Public Utility Commission than the federal agency.

"My observation over the years is FERC has tried to stay in the middle, to the extent possible, and I think that less politicization is helpful," ISO-NE CEO Gordon van Welie said. "Another point I'd make is there needs to be alignment between federal and state policies."

Several others said an independent FERC was important to all of the issues the industry is facing, like load growth, new resources coming online and traditional power plants retiring, which were the focus of the hearing.

"The stability of FERC is important to move all of these things forward," MISO Senior Vice President Jennifer Curran said.

PJM CEO Manu Asthana said having FERC at the helm with the ongoing transition the industry is facing is important.

"FERC plays a critical leadership role in our industry," Asthana said. "And the value of having a fully staffed, well-functioning federal regulator, particularly at this time,

cannot be understated."

Asthana said PJM is seeing three trends that make ensuring reliability more difficult. Federal and state policies are leading to the retirement of dispatchable, thermal generation, and what is coming online and waiting in the queues is almost all intermittent renewables, which help but cannot replace dispatchable power one for one. The third trend is growing demand, largely from data centers.

"Less supply, more demand — it adds up to increased reliability risk," Asthana added.

The grid's tightening balance contributed to a spike in capacity prices, which led to political backlash that continued at the hearing.

"I am incredibly frustrated at the costs that PJM's failures are imposing on my constituents," Rep. Frank Pallone (D-N.J.) said. "The vast majority of the rate increase on New Jersey families is due to what happened in PJM's capacity market."

New Jersey imported 43% of the energy consumed last year, and its plan to make up that gap was to build offshore wind. PJM helped it as much as it has with any state policy in the region to get that done, Asthana said.

"The problem is there is not one turbine spinning offshore of New Jersey," Asthana began.

Pallone cut him off and noted that the

Trump administration has thrown up more roadblocks to offshore wind, including cutting off permits. (See [EPA Puts Hold on Atlantic Shores OSW Permit](#).)

PJM should have made changes to the capacity market and the interconnection queue sooner, Pallone argued.

Asthana said the RTO was not delaying anything: It has been making reforms for years, he argued, and even as it continues to work through a queue backlog, about 50 GW of resources are ready to plug into the grid now.

The spiking capacity prices led PJM to agree to a new cap and floor on its market after negotiations with Pennsylvania Gov. Josh Shapiro (D), but that drew the ire from the other side of the aisle later in the hearing. (See [PJM, Shapiro Reach Agreement on Capacity Price Cap and Floor](#).)

"I am concerned that PJM gave into political pressure of some of the governors of its member states, and this is a very distressing precedent," Rep. John Joyce (R-Pa.) said. "What are the dangers of governors in the future influencing PJM's market to score short-term political points?"

PJM had bipartisan support to institute the price cap, with 11 of its 13 states and five of the region's governors backing the move to cap prices, Asthana said. "But I do think it's important to let our markets work, and we're going to have to ensure that we really allow that in the future," he added. ■

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# Industry Anxiety over Grid Reliability Overblown, Panel Says

Energy Innovation Panel Sees Solutions in IBRs, Demand-side Management, Emerging Tech

By K Kaufmann

The current debate in the U.S. electricity sector pitting efforts to increase renewables against the need for grid reliability in the face of growing demand could be unnecessary and counterproductive, according to Ric O'Connell, executive director of the nonprofit GridLab.

Faced with ever-escalating forecasts of demand growth from data centers, "a lot of utilities and grid operators and their regulators are getting a little nervous ... that we're not going to be able to have adequate resources to meet this growing load," O'Connell said.

"I actually don't think that concern is valid. I think we can do both. ... We can both grow the clean energy percentage of our electricity and grow the amount of load that we need to meet certain demand," he said.

Speaking at a March 26 webinar hosted by the nonprofit Energy Innovation Policy and Technology, O'Connell cited real-world, real-time examples to support his argument.

Texas now leads the U.S. in terms of total generating capacity, growing 36% over the past decade, while also doubling its share of renewables from 23 to 42%, he said. During times of peak production, carbon-free resources may provide more than 80% of the state's power.

ERCOT's online [dashboard](#), tracking energy supply and demand across the Texas grid, showed solar, wind and nuclear making up about half of its generation mix March 27.

SPP ran about 47% on carbon-free generation in 2024, with wind power across the region at times providing 90% of the RTO's power, O'Connell added.

Such comments, from O'Connell and other speakers, were aimed at fleshing out Energy Innovation's recent report, "[Grid Reliability in the Clean Energy Transition](#)," which argues for a more expansive, system-level approach to reliability. (See [Energy Innovation: US Needs New Approach to](#)

## Why This Matters

The drive to get more 24/7, dispatchable power on the grid to meet growing demand ignores the reality the generation mix is shifting toward renewables, and technological innovation potentially could help those resources provide the reliability services of coal or natural gas.

*Grid Reliability.)*

"Reliability is thrown out a lot, and not always accurately or correctly," said Sara Baldwin, Energy Innovation's senior director of electrification policy and co-author of the report. "Reliability is actually a characteristic of the entire electricity system, and individual resources contribute to reliability as part of a balanced portfolio. ...

"So, whenever you hear someone talking about the reliability of a single resource, that should raise a flag."

The Energy Innovation report defines reliability as a combination of three core components: resource adequacy (long-range planning for future demand), operational reliability (day-to-day, real-time balancing of supply and demand) and resilience (the ability to ride out and recover from extreme events).

The traditional arguments raised against renewables are that they are intermittent and therefore cannot provide the 24/7 reliability and grid support services of coal, natural gas or nuclear power. But according to Julia Matevosyan, associate director and chief engineer at the Energy Systems Integration Group, technology is available to allow solar, wind and storage to provide a full range of grid support services, through the inverters that convert the DC power from solar panels and

wind turbines into the AC power the grid uses.

The capabilities of these inverter-based resources have evolved as the percentage of renewables on the grid has increased, said Matevosyan, who previously worked as the lead planning engineer at ERCOT. For example, as renewables hit 10 to 20% of generation, inverters had to be set to ensure a solar or wind project could stay online and in operation in the event of a brief disturbance on the grid.

As renewables start to replace coal or natural gas, their inverters have to be able to provide voltage and frequency support, she said. At even higher levels, up to 75%, inverter-based resources can provide "essential reliability services," with "grid-forming" technologies, which are "advanced controls ... [that] can provide the suite of reliability services that synchronous generators are providing today," Matevosyan said. "With that technology, you can potentially go to 100% renewables."

Grid-forming technologies have been demonstrated on small islands and in "large-scale system studies," she said. "So, from the technology perspective, what I want to say is, just as the grid evolves and we define what the grid needs—we define it in technology-neutral terms—technology will step up and provide."

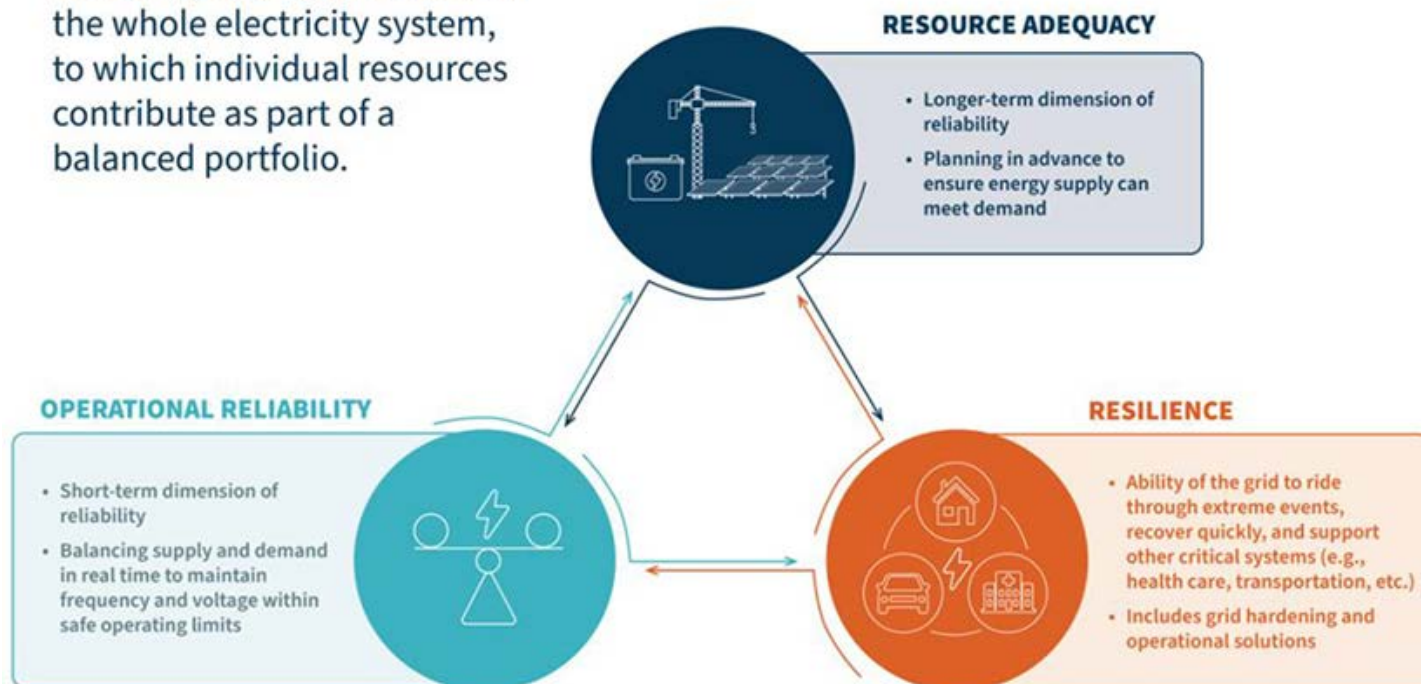
## Clean, Firm Emerging

But the Energy Innovation report also acknowledges that a significant gap exists between IBRs' technical capabilities and industry confidence in their ability to deliver when needed in real life.

"Developers must be disciplined to program their resources to ride through a voltage event [even] if such a setting should compromise their asset or their operating revenues," the report says. Similarly, utilities and grid operators need to "quantify and understand how IBRs respond during a grid emergency" and ensure appropriate compensation in cases where they "provide a superior response."

## NUTS AND BOLTS OF GRID RELIABILITY

Reliability is a characteristic of the whole electricity system, to which individual resources contribute as part of a balanced portfolio.



Energy Innovation sees grid reliability as rooted in three, interrelated components: resource adequacy, operational reliability and resilience. | *Energy Innovation*

At present, utilities, grid operators and the Trump administration are looking to natural gas and nuclear to respond to what they see as a looming reliability crisis, while characterizing renewables as intermittent and unreliable.

In his opening remarks at a March 25 congressional hearing on grid reliability, Rep. Bob Latta (R-Ohio) said EPA regulations limiting emissions from power plants were driving early retirements of dispatchable baseload power.

"Significant subsidies for intermittent generation undermine the economics of baseload, or on-demand, dispatchable generation resources that are essential to keeping the lights on," Latta said.

Speakers at the Energy Innovation webinar offered two potential low- or no-carbon solutions.

First, demand-side management can provide varied options for improving grid reliability, O'Connell said.

"We don't want to just focus on the supply side. ... It used to be hard to sort of

have load that was responsive to price or other kinds of signals, but now we've got smart thermostats; we've got customer-sited batteries; we've got EV charging," he said. "Really, this is a load that can be controlled and respond to market signals. This is a really important way that we're going to be able to meet our reliability [needs]."

Wilson Ricks, a doctoral researcher at Princeton University, pointed to the second solution: emerging clean, firm technologies, including long-duration energy storage, next-generation nuclear and geothermal, and fossil fuel generation with carbon capture and storage.

Rising amounts of renewables on the system are flipping seasonal demand peaks from hot summer afternoons, when renewables tend to be plentiful, to winter mornings, when they are not. "Current batteries are not necessarily a cost-effective solution to very long periods of low wind and solar output," Ricks said.

"There's a whole suite of emerging

technologies that are designed to help fill these very rare but important gaps and ensure a 100% reliable, clean system," he said.

The catch, Ricks said, is that all the promising technologies are still in early stages of development and commercialization and are very expensive. Demonstration projects are in the works, he said, but "ensuring the success of at least some of these projects is going to be crucial to ensuring the availability of a portfolio of clean firm resources that we're going to need for 100% reliability."

Getting clean, firm generation to commercial scale could also change the role of always-on baseload power as a foundation of reliability. While it will always be needed and valuable in some circumstances, "baseload has not been a panacea in the past," Ricks said. "It's only one portion of our grid. We still have fluctuating demand, and baseload generators don't meet that. It's certainly not the end-all, be-all of reliability going forward." ■



# PG&E Launches Virtual Power Plant, Microgrid Programs

## VPP Demo Project Seeks Participants to Help Meet Summer Demand

By Elaine Goodman

Pacific Gas and Electric will meet some of this year's summer electricity demand in California through a virtual power plant demonstration project that will include as many as 1,900 residential customers.

And in another recent announcement, PG&E said it will award up to \$43 million for nine microgrid projects in Northern and Central California. The money, distributed through the company's Microgrid Incentive Program, will fund the development of community microgrids in disadvantaged areas.

PG&E described its virtual power plant program, known as Seasonal Aggregation of Versatile Energy (SAVE), as a peak load shifting and shaping program.



PG&E will partner with smart electrical panel maker SPAN in the utility's SAVE virtual power plant demo program. | SPAN

It will recruit up to 1,500 residential electric customers with battery energy storage systems and about 400 customers with smart electric panels. The VPP will be dispatched from June through October for up to 100 hours.

Program participants will be concentrated in California's Central Valley and the south San Francisco Bay Area.

PG&E is partnering on its VPP demonstration with Sunrun, a company that sells residential solar-plus-storage systems.

Using Tesla's grid services platform, Sunrun will optimize Powerwall batteries to provide a precise amount of power at specific times to certain locations. For non-Tesla batteries, Sunrun will use Lunar Energy's Gridshare platform.

Sunrun will manage participating customers' battery dispatches while making sure participants have at least 20% of their battery capacity in reserve in case of power outages.

"Customers with home batteries are a solution to alleviating strain on our electric grid," Sunrun CEO Mary Powell said in a [release](#).

### Smart Panel Participants

Residents with smart electric panels will participate in the VPP program through a partnership between PG&E and grid service provider SPAN, which will shape home energy demand during peak events.

Customers will be able to set preferences on an app so they can use certain appliances during peak hours while still reducing grid congestion.

PG&E said it chose places to deploy the VPP program based on:

- the potential for overloading during peak summer hours;
- participating aggregators' concentration of customers; and
- ability to test performance across varying load shapes.

### Why This Matters

PG&E's SAVE virtual power plant demo project is funded by a California program designed to develop technologies and processes to help the electricity sector meet the state's energy and climate goals.

About 60% of SAVE participants will be in low-income or disadvantaged communities.

PG&E is conducting the VPP demonstration project as part of California's Electric Program Investment Charge (EPIC) initiative. Funded by utility customers, EPIC invests in research that may help the electricity sector meet the state's energy and climate goals.

### Microgrid Grants

In a separate program, PG&E [announced](#) \$43 million in funding for nine microgrids in communities deemed vulnerable to power outages.

The microgrids, which can be disconnected from the grid and provide energy during an outage, typically serve homes and essential facilities such as hospitals, police and fire stations, food markets, and water treatment plants.

PG&E selected the nine projects from a pool of about 50 inquiries. The projects are in California's North Coast and North Bay areas. Four will serve tribal communities.

Generation resources in microgrid projects may include solar, battery storage, pumped hydroelectric storage, small hydroelectric and biomass.

PG&E is planning a second round of Microgrid Incentive Program grants and will accept applications from April 3 through May 30. ■

# Pathways Inches Closer to Seating RO Board

## Group Sees Need for New Round of Funding After October

By Henrik Nilsson

The West-Wide Governance Pathways Initiative's Launch Committee on March 28 said it hopes to seat a permanent board by either 2026 or 2027 for the regional organization (RO) that will govern CAISO's Western energy markets.

Specifically, the Pathways Formation Committee is considering seating a permanent board by either July 2026 or April 2027 under Phase 2 of the group's plan, which includes creating an RO that will oversee CAISO's Western Energy Imbalance Market (WEIM) and Extended Day-Ahead Market (EDAM), according to a committee presentation.

Speaking during a monthly update call, Kathleen Staks, executive director of Western Freedom and the Launch Committee's co-chair, said the committee is evaluating the dates and will provide a recommendation during the next stakeholder meeting April 26.

A seven-member interim board will be put in place in the meantime, because board members must be listed when corporate documents are filed with the Internal Revenue Service, according to the presentation.

Staks clarified that the interim board will have limited duties and that the Launch Committee will retain its decision-making role. Putting in place an interim board, instead of seating a permanent one this early in the development of the RO, also saves money, Staks said.

Launch Committee member Jim Shetler, general manager of the Balancing Authority of Northern California, said about



A transmission tower in Mountain View, Calif. | Balise42, CC BY-SA-4.0, via Wikimedia Commons

\$250,000 is needed to sustain the committee through October, when the so-called Pathways Legislation is expected to pass in the California legislature. (See [Pathways 'Step 2' Bill Sets Conditions for EDAM Governance](#).)

Shetler said he's "comfortable" there's enough money "to get us through October."

"The issue will be post-October, ... we're looking at a couple options around when do we seat the permanent board, and the timing around that will obviously impact how much money we need. So, we're still refining those numbers," he said.

Shetler expects a budget within the next 30 to 60 days, "with a goal of trying to get commitments in place starting in October, November of this year to fund the remaining efforts on this Pathways Initiative."

Meanwhile, nearly \$1 million *in funding from the U.S. Department of Energy* is "still in limbo," Staks said.

Pathways received a commitment of nearly \$1 million from the DOE under former President Joe Biden's administration in November to underwrite the committee's efforts to establish an RO to oversee CAISO's WEIM and EDAM.

The award was issued through the Pathways Initiative's philanthropy adviser, Global Impact, which the group's Launch Committee partnered with earlier in 2024 to secure outside funding for its operations, which so far have been supported by donations — and volunteered staff — from its participants.

President Donald Trump's administration on Jan. 27 paused all federal grants and loans, according to a memo issued by the White House's Office of Management and Budget. ■

### Why This Matters

The seating of the board of the Pathways Initiative's regional organization will be a key step in affirming the independence of the entity overseeing governance of CAISO's markets.



# WEIM Q4 Prices Down on Lower Gas Costs, CAISO DMM Finds

GHG Costs Continue to Support California Power Prices, Monitor Says

By Henrik Nilsson

CAISO's Department of Market Monitoring (DMM) said March 27 that lower natural gas prices helped drive down energy prices in the Western Energy Imbalance Market (WEIM) in the fourth quarter of 2024.

Energy prices across the WEIM averaged about \$39/MWh in the 15-minute market — down approximately 31% compared to the fourth quarter of 2023 — despite load being about 2% higher on average, according to Ryan Kurlinski, the DMM's senior manager of monitoring and reporting.

Similarly, the DMM's quarterly [report](#) found prices in the five-minute market "were also down 31% and day-ahead market prices were down 22% compared to Q4 2023."

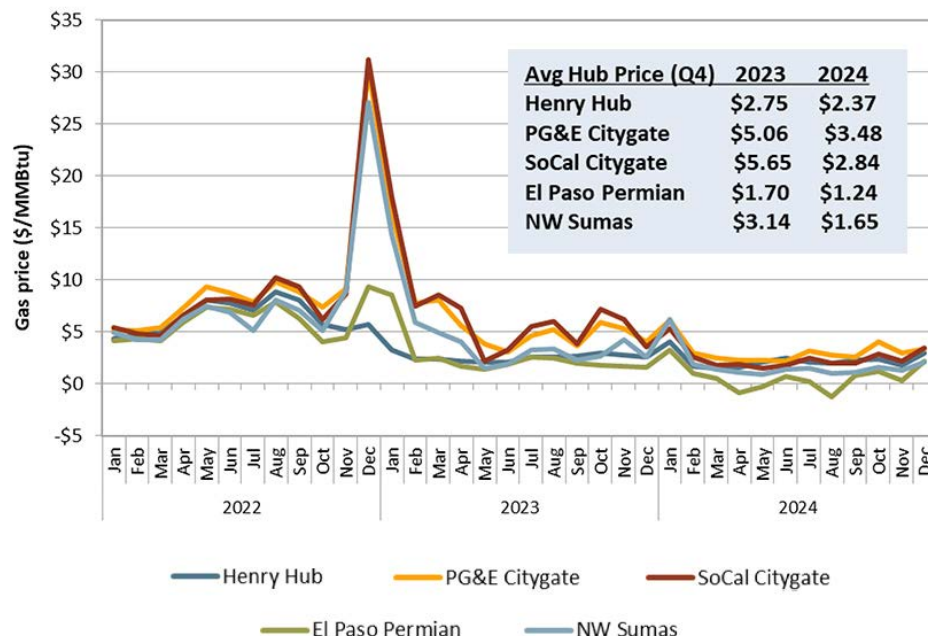
The lower energy prices were largely due to lower gas prices, according to the DMM.

"Average fourth quarter prices at the two main delivery points in California (PG&E Citygate and SoCal Citygate) decreased by 31% and 50% compared to the same quarter of the previous year, respectively," the DMM report stated.

Prices at the Henry Hub trading point, a reference point for natural gas markets, decreased by 14% in the fourth quarter of 2024 compared to the same quarter of 2023.

Prices at Northwest Sumas and El Paso Permian also dropped by 47% and 26%, respectively, during the same period, according to the DMM.

Compared to the rest of the WEIM region, California recorded the highest average energy price at about \$45/



A chart showing the decrease in energy prices in the West in the fourth quarter of 2024 | CAISO

MWh in the quarter, while other regions' 15-minute market prices ranged between \$32/MWh and \$38/MWh, according to the DMM.

"The greenhouse gas costs in California continue to be a significant contributor to the higher prices in California compared to other regions," Kurlinski said.

The fourth quarter of 2024 also saw an upswing in generation from renewable resources in the WEIM footprint. Renewable output "increased by about 4,320 MW (14%) compared to the fourth quarter of 2023. Over 65% of this growth was from wind and solar generation, both of which increased in every region," according to the report.

Average hourly battery discharge in the CAISO and Desert Southwest regions

also increased by 490 MW (64%) and 300 MW (125%), respectively.

Meanwhile, the report pointed to a continued pattern of congestion revenue rights auction revenues underfunding CRR payments, with the fourth quarter marking a \$1.7 million shortfall. (See [Congestion Revenue Rents Still Underfunded, CAISO DMM Says.](#))

"These losses are borne by transmission ratepayers who pay for the full cost of the transmission system through the transmission access charge," according to the report. "Changes to the auction implemented in 2019 have reduced, but not eliminated, losses to transmission ratepayers from the auction. The [DMM] continues to recommend further changes to eliminate or further reduce these losses." ■

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# WEIM Experience, Reliability Benefit Drove EDAM Decision, BANC Says

Group's GM also Points to CAISO Market's Help in Integrating Renewables

By Elaine Goodman

For the Balancing Authority of Northern California (BANC), a positive experience with CAISO's Western Energy Imbalance Market was a key factor in the decision to also join the ISO's Extended Day-Ahead Market (EDAM).

Before joining WEIM in 2019, BANC had estimated its annual benefits of WEIM participation in the \$7 million to \$8 million range, according to BANC General Manager Jim Shetler. But those estimates have been far exceeded, Shetler said March 26 during a joint meeting of the CAISO Board of Governors and the Western Energy Markets Governing Body.

BANC's benefits for participating in WEIM were about \$49 million in the third quarter of 2024 and \$58 million in the fourth quarter.

"I've yet to have any ... BANC participants complain about the fact that we are in

EIM," said Shetler, also a key member of the committee driving the efforts of the West-Wide Governance Pathways Initiative, which has been working to bring independent governance to CAISO's markets. (See [Pathways Initiative Receives Praise, Skepticism at Calif. Hearing.](#))

Shetler gave a short presentation during the joint meeting to explain BANC's reasons for joining EDAM rather than SPP's competing day-ahead market, Markets+.

BANC announced its intention to join EDAM in August 2023 and signed a formal implementation agreement in November 2024. (See [BANC Moving to Join CAISO's EDAM](#) and [BANC Signs Agreement to Join EDAM.](#))

Shetler said another positive outcome of WEIM participation was the market's "support for reliability." He noted that BANC tends to hit its daily peak in summer about 60 to 90 minutes earlier than CAISO.

## Why This Matters

The factors driving BANC's day-ahead market decision could influence those utilities still attempting to choose between CAISO's EDAM and SPP's Markets+.

"We've very actively seen the EIM manage that: Help provide us cost-effective resources during our peak and then redispatch our resources to support the ISO peak as we start to come down," Shetler said.

In addition, WEIM participation has reduced renewable curtailments, and BANC has been able to maintain a good trading capability.

BANC participated in the development of EDAM and Markets+ but for the last two years has been simply monitoring Markets+ progress.

A Brattle Group analysis found that BANC's benefits from joining EDAM would be about \$5.5 million a year – "not a huge benefit ... but it was positive," Shetler said.

And EDAM met other day-ahead market criteria for BANC. Shetler said independence and self-determination are "first and foremost."

"Members to the maximum extent possible can retain their independent decision-making on key factors," he said.

Transfer capability was another point in favor of EDAM. BANC has about 2,000 MW of transfer capability with the ISO footprint through seven or eight interconnection points, Shetler said.

BANC is a joint powers authority with six member agencies: Sacramento Municipal Utility District, Modesto Irrigation District, Roseville Electric, Redding Electric Utility, Trinity Public Utility District and the City of Shasta Lake. ■



Jim Shetler, BANC | © RTO Insider

# Fast-paced Effort will Address EDAM Congestion Revenue Issue

Outcome Would Likely be 'Transitional' as Market Brings in More Participants, CAISO Says

By David Krause and Robert Mullin

CAISO has launched an "expedited" initiative to address stakeholder concerns about how the Extended Day-Ahead Market (EDAM) will allocate congestion revenues when a transmission constraint in one EDAM balancing authority area causes congestion in a neighboring BAA.

The issue came to light in February when Powerex published a paper contending that EDAM contains a "design flaw" that could subject non-CAISO market participants to \$1 billion in unfair congestion-related charges that would be conveyed as payments to participants operating within the ISO. (See [Powerex Paper Sparks Dispute over EDAM 'Design Flaw'](#).)

The problem will arise when a transmission constraint in one system "parallel" (or loop) flows on a neighboring system, the Vancouver, leaving the latter system — and its transmission users — to carry

the costs of unexpected congestion, the Canada-based electricity marketer said.

The paper argued that EDAM's treatment of firm transmission rights and congestion would leave that market's non-CAISO participants exposed to charges for constraints occurring outside their systems while failing to provide the ability to recover or hedge against those costs — something the company called an "aberration" among organized electricity markets.

Powerex, which owns transmission rights throughout the West, said the PacifiCorp, NV Energy and Idaho Power BAAs would be most exposed to the issue, including when those utilities use their own transmission to deliver their own generation to their own load.

The company identified the issue after reviewing the revised Open Access Transmission Tariff (OATT) PacifiCorp filed with FERC in January to reflect its im-

## Why This Matters

CAISO's expedited effort to address a controversy over allocation of congestion revenues in EDAM shows how eager the ISO is to address stakeholder concerns that could hamper potential participants from joining the market.

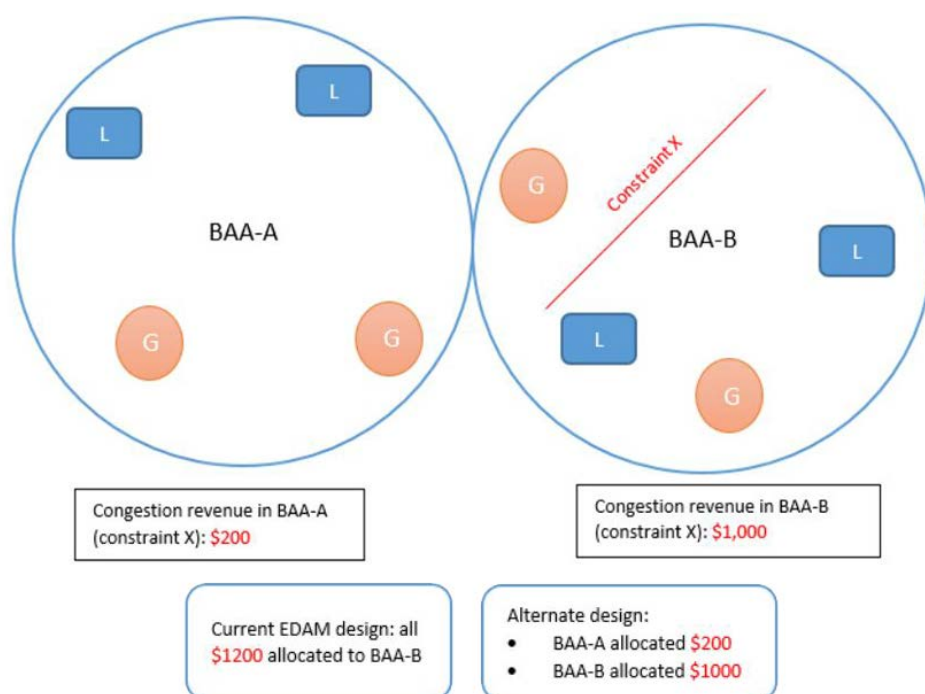
pending participation in EDAM, and other entities have since filed comments in that docket (ER25-951) expressing similar concerns.

CAISO and PacifiCorp representatives initially responded sharply to Powerex's assertions, calling the paper "misinformed and inflammatory." But the new initiative indicates the ISO is taking the congestion issue seriously, even if it and EDAM supporters point out the issue is the byproduct of overlaying elements of an organized electricity market on the legacy OATT system.

During a March 24 workshop to kick off stakeholder engagement for the initiative, CAISO staff presented an alternative method for calculating the allocation of certain congestion revenues under EDAM, with meeting participants raising concerns about long-term effects of the proposed method and asking for more clarity.

CAISO outlined the proposed new method in a March 17 [issue paper](#), which was reviewed in detail at the meeting. The alternative method would be "transitional" and would be informed by newly identified patterns of congestion as EDAM adds other balancing areas, Joanne Serina, CAISO vice president of stakeholder engagement and customer experience, said at the meeting.

The ISO has cleared its calendar over the next two weeks to make room for the expedited initiative, Serina said. The



This graphic shows how much revenue would be allocated to different balancing authorities under the existing method versus the alternative method. | CAISO



accelerated timeline reflects CAISO's desire to prioritize stakeholder feedback on EDAM issues, she said.

"We are wholeheartedly committed to working with stakeholders to come to an equitable solution," Serina said.

CAISO could, as early as May, approve the alternative method, develop a different alternative or decide to keep the existing one.

### Question of Intent

The primary question in the initiative is whether certain congestion revenues should be allocated to the balancing area in which the congestion revenue accrued, or to the neighboring EDAM balancing area where the transmission constraint is located.

Under existing design, the latter is true: EDAM is set to allocate congestion revenues to the BAA in which an internal transmission constraint is located. This approach has been approved by FERC and implemented for the past decade in the WEIM, and it is the practice today.

The current congestion allocation approach follows cost-causation principles under which congestion revenues flow to the transmission constraint location. This is because the BA with the constraint must pay for and manage the constraint, CAISO said in its paper. Transmission constraints determine in part the congestion price at a pricing location, and congestion revenues are then allocated back to energy market participants, according to the paper.

However, under the alternative design, congestion revenues associated with

parallel flow schedules would be allocated to the BA where the congestion revenue accrued, not the neighboring balancing area where the constraint is located, the paper says.

In the paper, CAISO said allocating congestion revenues to EDAM balancing areas based on where they are collected will "enable a more complete sub-allocation of congestion revenue from the EDAM balancing area to transmission customers exercising firm Open Access Transmission Tariff (OATT) transmission rights within their balancing area."

The alternative approach could increase or decrease the total congestion revenue available for sub-allocation to a balancing area, CAISO wrote. The EDAM area is not managed as a single balancing area or under one transmission tariff, so CAISO must determine what amount of congestion revenue is to be allocated to each EDAM balancing area, according to the paper. A balancing area then allocates revenues based on their specific tariffs.

CAISO at the March 24 meeting responded to numerous questions and concerns about the alternative design. Many participants asked for clarification on the methodology and examples in the issue paper, while others looked for more information on potential impacts on the power system and suppliers.

"What do you mean when you say, 'Managing a constraint in an area'?" PacifiCorp commercial transmission manager Rohan Chatterjee asked at the meeting.

CAISO regional markets sector manager Milos Bosanac responded: "Depending on the nature of the constraint, there may be additional steps that the balancing

area may need to take. Predominantly, there will be dispatch effects associated with a constraint."

Jeff Spires, Powerex's director of power, said his company is concerned that an alternative option would be transitional without agreement on the "guiding principles" around the future evolution of the markets.

"I agree [with] letting the markets evolve ... but at the same time, I would expect the opportunity to determine what principles are needed to provide that long-term confidence. Until we get to a full RTO world, these markets need to be compatible with that framework."

Speaking at a March 25 meeting of the Western Energy Markets (WEM) Governing Body, member Anita Decker said she recognized there would be "bumps in the road" with the rollout of EDAM.

"But I think the important thing here is the intent, and the intent is to end up with a strong market, at the end of the day, for everyone that's participating — and I think that intent really goes a long way to build confidence," Decker said.

"I just want to reinforce our commitment to making this transition from traditional OATT to a marketplace as smooth as possible, and that's why I think we're taking up this initiative and trying to find that path forward," CAISO COO Mark Rothleder said at the WEM meeting.

Stakeholder comments on the initiative are due by April 7. CAISO plans to publish a full proposal April 14, with the final proposal presented for decision by the ISO Board of Governors and WEM Governing Body at their May 20-22 meetings. ■



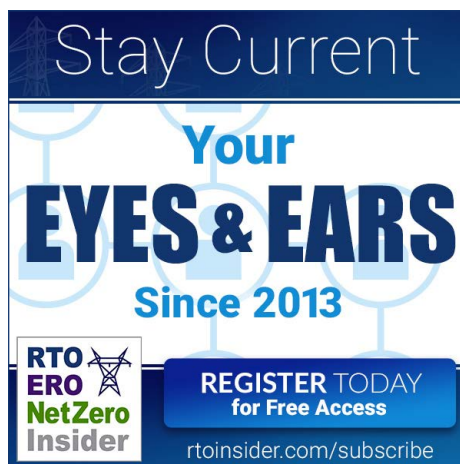
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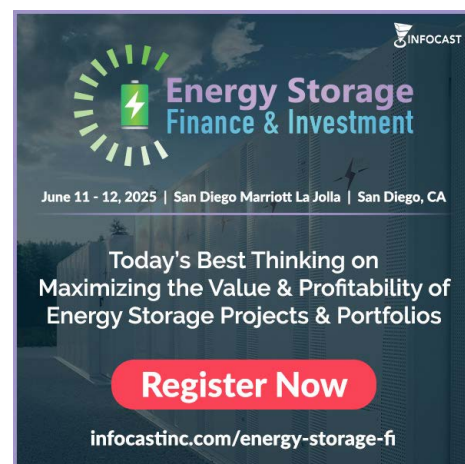
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# NM Lawmakers Pass Bills on Grid Modernization, Tx Taxation

## Effort to Repeal State's Clean Fuel Standard Fails

By Elaine Goodman

A bill passed by the New Mexico Legislature would boost advanced grid technologies, which are seen as a way to make the grid more efficient and potentially reduce the need to build new transmission lines.

House Bill 93 by Rep. Kristina Ortiz (D) now awaits a signature from Gov. Michelle Lujan Grisham, who has until April 10 to act. Bills not acted upon by the governor are "pocket vetoed."

Another bill that passed before the Legislature's 60-day session ended March 22 was [HB 295](#) by Rep. Nathan Small (D). It would ensure that transmission projects owned by the New Mexico Renewable Energy Transmission Authority (RETA) are exempt from property tax, even if those projects are leased and operated by another entity.

That includes Pattern Energy, according to a [fiscal impact report](#) on the bill. Pattern is co-developing the 550-mile, 525-kV SunZia transmission line in partnership with RETA.

Grid modernization also may have a new source of grant funding under [Senate Bill 48](#), by Sen. Mimi Stewart (D), which if signed by the governor would create a community benefit fund.

According to the Sierra Club Rio Grande Chapter, the fund would invest \$210 million to create jobs and "strengthen the communities most impacted by climate change." The Sierra Club is part of a statewide coalition, Clear Horizons New

Mexico, that supported the bill.

Community fund allocations would include \$70 million to the grid modernization grant fund and \$15 million to the community energy efficiency development block grant fund.

### Grid Efficiency

[HB 93](#) would require public utilities to consider the deployment of advanced grid technologies as part of their integrated resource plans. Utilities could also include requests for advanced grid technology in their applications for grid modernization projects.

Under existing law, a public utility can file an application with the New Mexico Public Regulation Commission for grid modernization projects. If approved by the PRC, the utility may recover costs of the projects through base rates, an approved tariff rider or both.

HB 93 would update the law to add advanced grid technology to the types of projects for which a utility may seek approval.

Advanced grid technologies are defined as hardware or software that increases the efficiency, capacity or reliability of the grid. They may include advanced conductors or grid-enhancing technologies such as dynamic line ratings, advanced power flow controllers or topology optimization.

"We might not have to build as many transmission lines by making our current Igrid scenario as efficient as possible," Sen. Michael Padilla (D), a bill co-sponsor, told the Senate Conservation Committee on March 11. Padilla said the bill would also promote economic development.

HB 93 directs the PRC to evaluate whether an advanced grid technology project will reduce ratepayer costs by delaying the need for investment in new generation or transmission. Other factors for the PRC to consider include improved reliability, increased access to clean energy and whether it's "the most cost-effective among reasonable alternatives."



| Pattern Energy

Advanced Energy United called the bill's passage "a major clean energy victory."

Advanced grid technologies can be "a smarter, faster, more cost-effective way to upgrade the grid," Michael Barrio, a senior principal at AEU, said in a blog post.

Barrio noted that much of the Legislature's focus this session was on public safety, making it harder for clean-energy-related bills to receive attention.

He said one missed opportunity was [HB 13](#), which included a framework for distribution system planning and measures to promote transportation and building electrification. The House passed the bill, but it stalled in the Senate.

### Fuel Standard Repeal Fails

Another bill that failed was [HB 328](#), by Rep. Randall Pettigrew (R), which aimed to block the adoption of rules to enact a clean transportation fuel standard. HB 328 was referred to committee but was never heard.

The Legislature finally approved a clean fuel standard last year, after several previous attempts, and the New Mexico Environment Department is now in the rulemaking process. The state Environmental Improvement Board is expected to hold a hearing this summer on the proposed regulations. ■

### Why This Matters

House Bill 93 could significantly boost the adoption of grid-enhancing technologies by giving New Mexico utilities a clearer way to include them in their resource plans.



# ERCOT Technical Advisory Committee Briefs

## Stakeholders Approve Protocol Changes for Real-time Co-optimization

AUSTIN, Texas — ERCOT stakeholders endorsed several protocol changes related to the ISO's real-time co-optimization project, keeping on track a project seen as a cornerstone for future market improvements.

Alluding to the ongoing college basketball tournaments, ERCOT's Matt Mereness, chair of the Real-time Co-optimization and Battery Task Force (RTC+B), portrayed the protocol changes as "the road to the Final Four." Their approval sets them up for the Board of Directors' consideration during its April 7-8 meeting, with the goal of beginning full market trials of the software and systems May 5.

"We're six weeks out on the first set of [market] trials starting," Mereness told members of the Technical Advisory Committee (TAC). "Today's approval sets the stage for more approvals and people so that we can develop the code and parameters to dial those in for our market trials. That's the gist of it."

The key nodal protocol revision request ([NPRR1269](#)) determines and codifies policy changes that were deferred from the original RTC-related protocols developed after the project's inception in 2019: ramping scaling factor values, ancillary service (AS) proxy offer floor parameters, and ancillary service demand curves' (ASDC) use in reliability unit commitment (RUC) studies.

Two other NPRRs were placed on TAC's combination ballot, essentially a consent agenda. [NPRR1268](#) makes changes to the ASDC as modified by the Independent Market Monitor. [NPRR1270](#) clarifies the removal of automatic ancillary service qualification and adds details for qualifying resources that provide the services in real time.

Much of the debate during the stakeholder process centered on the proxy offer floors. ERCOT initially proposed a \$0 offer floor, which was supported by the IMM, but the RTC task force pushed for a \$2,000 floor. A compromise eventually was reached on the minimum of a \$2,000 floor or 95% of the ASDC.



Consumer representative Eric Goff discusses an ERCOT proposal with OPUC's Nabaraj Pokharel. | © RTO Insider

The demand curves' use in RUC studies was another "evolving discussion," as Mereness put it, in determining the appropriate price signals within the study tool to drive efficient commitments. The [Protocol Revision Subcommittee](#) sent NPRR1269 to TAC with its approval of the ASDC compromise, a \$15 RUC ASDC floor, and a \$15 floor for real-time and day-ahead market ASDCs.

TAC approved NPRR1269 22-7 with one abstention. All six members of the consumer segment opposed the measure. They were joined by AP Gas & Electric, an independent retailer in Houston. In [filed comments](#), the consumer interests asked the ERCOT board to "exercise judicious restraint before considering" the policy change.

"There is no real harm to waiting for [RTC] to be implemented before making such a fundamental shift in its design," they wrote. "Frankly, consumers would prefer a future where ERCOT had to justify a RUC decision in a situation like this instead of a permanent structural change in the market to avoid the possibility of

hypothetical RUCs."

"Our concern is with the underlying approach. As to why you would institute a floor without evidence that it will resolve something, we would just generally be uncomfortable with unnecessarily intervening in market outcomes," Eric Goff said during the TAC discussion. "You have to acknowledge that this is an administratively determined curve. In general, it's appropriate for a curve to be able to indicate a lack of value, that something is demanded. That's kind of one of the fundamental approaches that we see to the extent that the point of this is to alleviate some potential for RUCs."

The IMM [warned](#) that the proposed ASDC floor for the day-ahead and real-time markets could result in more than \$100 million in excess costs to consumers, saying the proposal is not supported by "economic fundamentals or empirical evidence."

It said the proxy offer floor compromise "does not reflect a competitive offer and exposes consumers to unnecessary and



excessive costs," calling for an offer cap of no more than \$15. The IMM also said the ASDC floor for RUC is not necessary for the commitment process to function properly when RTC goes live in December.

### Large Load Task Force to Remove 'Flexible'

The Large Flexible Load Task Force plans to return to TAC's April 23 meeting with charter changes that rename the group by removing "flexible" from its title.

"We could never actually define flexible when the crypto miners, where this all started, came in," explained the task force's vice chair, Longhorn Power's Bob Wittmeyer. "They said that they were flexible. By that, they meant they were flexible within settlement intervals. ERCOT interpreted that to mean within milliseconds, and there was some disconnect between those two things."

The task force's members also proposed the group be reclassified as a working group reporting to TAC, with a sub-group focused on data centers. TAC's leadership was open to the suggestion.

"Task forces exist when the problem is envisioned to be short term and be solvable and go away," Wittmeyer said. "Large loads certainly appear to be here to stay, and there are operational issues with city-size loads doing things. Anytime you have a city-size load, that can all react roughly at the same time, that's a cause for concern."

Staff told TAC that the large-load interconnection queue contains just over 99 GW in primarily standalone projects. ERCOT says it can confirm 4,616 MW have been energized.

### Market Design Discussion Postponed

A scheduled discussion on a proposed new market design framework was put off until April's TAC meeting because of March's "weighty agenda," said ERCOT's Keith Collins, vice president of commercial markets.

CEO Pablo Vegas presented the framework to the board in 2024, saying the grid operator needs a structure that allows it to evaluate changes to the market design, relative to the attributes needed to reliably operate the grid. Staff presented the framework to TAC in October and



ERCOT's Matt Mereness | © RTO Insider

received comments from stakeholders related to resource adequacy, initiative measurement and the structure's alignment.

The framework's pillars, as developed by staff, are to position ERCOT as an industry leader for reliability and resilience and to strengthen the footprint's economic competitiveness. The grid operator says that while reliability is the organization's primary objective, "costs should always be considered" as it seeks "market outcomes and solutions that result in the most competitive wholesale power rates and retail prices without compromising reliability or resilience."

### Large Load Modeling Requirements

The committee had to endorse [NPRR1234](#) and its associated Planning Guide revision ([PGRR115](#)) twice when a desktop edit to the PGRR inadvertently created an unachievable compliance deadline, based on the measure's anticipated approval date. Staff then conducted a triage of the NPRR to push the compliance dates out by two months.

The two changes establish interconnection and modeling requirements for large loads, defined as one or more facilities at a single site with an aggregate peak power demand of 75 MW or more. TAC unanimously endorsed both measures. Three members of the consumer and independent generator segments abstained from the PGRR.

The committee approved the combination ballot that included four NPRRs, one PGRR, a system change request (SCR) and revisions to the Nodal Operating (NOGRR) and Settlement Metering Operating Guides (SMOGRR) that, with board

approval, will:

- [NPRR1256](#): Changes language in adjustment period and real-time operations protocols related to must-run alternatives (MRAs), primarily in grey-boxed language from [NPRR885](#) (Must-Run Alternative Details and Revisions Resulting from PUCT Project No. 46369, Rulemaking Relating to Reliability Must-Run Service) to align the terminology for energy storage resources (ESRs) in the single-model era. It also specifies how qualified scheduling entities representing ESR MRAs would be settled for providing MRA service.
- [NPRR1268](#): Define the methodology for disaggregating the operating reserve demand curve into blended ancillary service demand curves.
- [NPRR1270](#): Update requirements for load resources that are changing under RTC and were not updated in earlier revisions; remove language associated with group assignments in the day-ahead market; eliminate the automatic qualification of all resources to provide on-line non-spinning reserve and SCED-dispatchable ERCOT contingency reserve service, among other changes. Resources will be required to undergo a qualification test to provide each of these services.
- [NPRR1273](#): Modify ESRs' capacity to the amount sustained for 45 minutes included in the physical responsive capability's calculation.
- [NOGRR274](#): Conforms the guide to [NPRR1217](#)'s (Remove Verbal Dispatch Instruction Requirement for Deployment and Recall of Load Resources and Emergency Response Service Resources) protocol changes.
- [PGRR119](#): Codify that a reliability margin will be used when limits associated with a stability constraint are modeled in the Regional Transmission Plan's reliability and economic base cases.
- [SCR829](#): Add an application programming interface to upload and download unit testing data from the net dependable capability and reactive capability application.
- [SMOGRR028](#): Give guidance for allowing loss compensation for current limiting reactors. ■

— Tom Kleckner

## GCPA to Honor Kim Casey with Power Star

The Gulf Coast Power Association has awarded its former executive director, Kim Casey, the 2025 Power Star Award in recognition of her contributions to Texas' competitive energy markets, the organization said in a [March 26 press release](#).

"Kim Casey's impact on the energy landscape in Texas is profound. Her dedication, knowledge and innovative approach to challenges in the industry have set a standard for excellence," said Pat Wood III, who chaired both FERC and the Texas Public Utility Commission, in the release. "This award is a well-deserved acknowledgment of her contributions that have shaped competitive energy markets."

The Power Star Award was created in honor of Wood and recognizes an individual with a distinguished career who has played a crucial role in the advancement of electric markets. Casey was one of the first wholesale power originators in the U.S. and helped develop ERCOT's first protocols. While at Dynegy, she originated numerous structured wholesale power contracts and oversaw the Texas



Kim Casey, GCPA's executive director for five years, will receive its top award. | © RTO Insider

power generation portfolio.

Casey co-founded Fulcrum, a nationwide energy management services company that evolved into a competitive retail electricity company since acquired by Just Energy. She has served on ERCOT's

Technical Advisory Committee and SPP's Board of Directors.

The award will be presented at GCPA's 38th Annual Spring Conference April 14-16 in Houston. ■

– Tom Kleckner



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# ISO-NE to Reopen Queue as it Continues to Wait on Ruling from FERC

By Jon Lamson

ISO-NE plans to reopen its interconnection queue April 1 as it continues to wait for a ruling from FERC on its Order 2023 compliance proposal, the RTO told the NEPOOL Transmission Committee on March 26.

The queue has been closed since June 13, 2024, which was the RTO's proposed deadline for projects to have a valid interconnection request to participate in the transition cluster study, which would be the first cluster study run under the new interconnection procedures established by Order 2023.

ISO-NE requested an effective date of Aug. 12, 2024, in its compliance proposal but suspended its work to implement the interconnection changes in September 2024 because of the lack of a ruling from FERC. (See [With FERC Inaction, ISO-NE Delays Order 2023 Implementation](#).)

Given the uncertainty around when and how FERC will rule on ISO-NE's compliance, the RTO now has opted to reopen the queue and will continue to process requests under the existing "first-come, first-served" study process.

Alex Rost, director of transmission services at ISO-NE, said reopening the queue will enable interconnection customers to submit requests needed to participate in the 2025 interim reconfiguration auction (RA) qualification process.

However, Rost stressed that ISO-NE "cannot guarantee the treatment of [interconnection requests] submitted after the June 13, 2024, eligibility date set by Order No. 2023 until FERC issues an order [that] addresses the eligibility date."

Also starting on April 1, ISO-NE will no longer allow customers to pause stud-

ies that are being processed under the existing serial interconnection rules. The pause was intended to enable resources that did not expect to complete their interconnection studies prior to the transitional cluster to avoid unnecessary study costs.

"Given the indefinite delay in FERC action on the compliance proposal and continuing serial studies, the ISO can no longer allow study pauses without potentially impacting lower-queued projects," Rost said.

ISO-NE also said it likely will not be able to run a transitional capacity network resource (CNR) group study in coordination with the 2025 interim RA qualification process.

The CNR study was intended to help projects with complete system impact studies — but without capacity interconnection rights — to participate in capacity auctions on a shorter timeline.

The RTO had said it would need an order from FERC by the end of March to align the CNR group study with the 2025 interim RA qualification process, which includes a show of interest submission deadline at the end of April. (See [New England Generators Remain in Limbo on Interconnection Reform](#).)

ISO-NE had previously aimed to run the CNR group study in coordination with its 2024 interim RA qualification process. Missing the deadline for 2025 qualification creates significant uncertainty for resources hoping to join the study and could result in the elimination or significant delay of the CNR group study.

In recent months, stakeholders have urged FERC to rule on ISO-NE's compliance proposal as quickly as possible.

Flatiron Energy wrote in February that missing the end-of-March deadline "increases the chances that further process changes are necessary and thereby increases the chances that the transitional CNR group study and transitional cluster study are delayed."

Delays to the CNR study and transitional cluster study would threaten the ability of resources in the queue to come online

## Why This Matters

FERC's continued inaction on ISO-NE's Order 2023 compliance has caused the RTO to miss multiple key implementation deadlines, spurring concerns that the uncertainty caused by the delay will push back the development timeline of some resources in the queue.

for the 2028/29 capacity commitment period (CCP 19), Flatiron wrote.

The company estimated that 3 GW of projects eligible for the CNR study are proposed to come online before the start of CCP 19.

The New England States Committee on Electricity (NESCOE) wrote in November 2024 that the delay undermines "the efficient and timely interconnection of new resources" and urged FERC to act quickly "to help alleviate the interconnection queue backlogs and uncertainty that continues to exist in New England."

Clean energy trade associations RENEW Northeast and Advanced Energy United, the New Hampshire Office of the Consumer Advocate and several environmental advocacy groups have all submitted comments echoing the concerns of Flatiron and NESCOE.

In response to ISO-NE's announcement March 26, Alex Lawton of Advanced Energy United said that "unless FERC issues an order within the next few days, the region will face cascading delays to our desperately needed interconnection reforms, which will result in more challenges to how and when new resources can come online."

"Given the centrality of a functional interconnection process to ensuring reliable and affordable electricity, ratepayers will ultimately bear the cost of further delays," Lawton added. ■



} EMC Engineering Services



# ISO-NE Consumer Liaison Group Discusses Benefits of Energy Efficiency

By Jon Lamson

PROVIDENCE — Speakers at the ISO-NE Consumer Liaison Group on March 27 discussed the system-wide costs and emissions benefits of energy efficiency and demand flexibility and called on policymakers to double down on efficiency programs as energy demand grows.

State energy efficiency programs have faced some political scrutiny in recent months amid high winter energy costs. To help reduce near-term electricity costs, the Massachusetts Department of Public Utilities in late February directed utilities to *shave \$500 million* off the upcoming three-year plan for the Mass Save energy efficiency program.

Jamie Dickerson, senior director of cli-

mate and clean energy programs at the Acadia Center, said energy efficiency is responsible for a roughly 15% reduction in the region's overall power demand and has brought more than \$55 billion in benefits to the region since 2012.

He said it's unfortunate energy efficiency "has emerged as a scapegoat for some," given the cost reductions it can provide. Moving ahead, he emphasized the importance of energy efficiency as peak loads increase and *estimated* that achieving 20% demand flexibility in winter could save the region about \$8 billion in transmission spending by 2050.

"Let's face it: In every possible way, negawatts — with an 'N' — are better than megawatts with an 'M,'" said New Hampshire Consumer Advocate Don Kreis.

## Why This Matters

Load growth due to heating and transportation electrification, along with potential demand from data centers, makes energy efficiency and demand flexibility essential to maintaining system affordability.

However, Kreis said it can be difficult to convince ratepayers they're benefiting from energy efficiency programs when they may not receive the actual upgrades



From left: Jamie Dickerson, Acadia Center; Marianne Perben, ISO-NE; Dave Westman, VEIC; Brett Feldman, Rhode Island Energy | © RTO Insider

incentivized by the programs.

David Westman of the Vermont Energy Investment Corp. (VEIC), the administrator of Vermont's energy efficiency programs, said demand reductions — especially at peak times — provide cost and emissions benefits to the entire system.

He highlighted how Vermont has helped ski resorts improve the efficiency of their snowmaking operations and said state incentives reducing the payback period for high-efficiency snow guns are a key component to convincing resorts to adopt more efficient equipment.

At Stratton Mountain in Southern Vermont, replacing 403 snow guns has enabled a 17% reduction in seasonal kWh demand and a 40% reduction in demand during the most essential peak winter hours.

He noted that VEIC operates an energy efficiency resource participating in ISO-NE's forward capacity market (FCM), with about 116 MW of summer capacity and 156 MW of winter capacity. The

resource's participation in the FCM has generated over \$80 million in revenue since 2010, all of which is invested back into energy efficiency efforts.

Westman praised ISO-NE's commitment to keeping energy efficiency in its capacity market as it undergoes a major market reform effort. He said PJM's move in 2024 to make energy efficiency resources ineligible for its capacity market "puts a lot of PJM ratepayers at a significant risk of higher costs." (See *PJM Asks FERC to Eliminate Energy Efficiency from Capacity Market.*)

Brett Feldman, energy efficiency manager for Rhode Island Energy, acknowledged that many of the easiest energy efficiency reductions already have been achieved, with LED lighting "basically baseline now."

However, he said there still is a lot of home retrofit work to be done as homes electrify and said it's important to focus on electrification whenever possible with new homes. He noted that artificial intelligence tools could help provide

more gains.

The flip side of artificial intelligence is significantly increased energy demand from data centers, and several speakers expressed concern that data center demand growth may wipe out some of the gains made by energy efficiency.

"AI specialized data centers are likely to represent the single largest driver of load growth in the U.S. over the next five to 10 years," said Tyler Norris, a Ph.D. student at Duke University who is focused on power systems.

He recently authored a *study* that found that, because the U.S. power system is built to meet infrequent peak loads, existing headroom on the grid "is sufficient to accommodate significant constant new loads, provided such loads can be safely scaled back during some hours of the year."

The study found ISO-NE has the capacity to add 4.3 GW of new demand with just 1% curtailment, or 3.5 GW with just 0.5% curtailment. ■



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# ISO-NE Finds Potential to Connect 9,600 MW of OSW Without Tx Upgrades

By Jon Lamson

A *new analysis* by ISO-NE indicates that about 9,600 MW of offshore wind may be able to connect to the New England transmission system without triggering the need for upgrades.

The study also found connecting offshore wind to points of interconnection (POIs) closer to the Boston area than previously modeled could reduce the overall amount of transmission investment needed by 2050 by up to \$4.1 billion.

The analysis builds on the findings of ISO-NE's *2050 Transmission Study* and is intended to "provide high-level information about system constraints" affecting offshore wind interconnection. (See *ISO-NE Prices Transmission Upgrades Needed by 2050: up to \$26B* and *ISO-NE Analysis Shows Benefits of Shifting OSW Interconnection Points*.)

The updated analysis accounts for the finalized location of the Gulf of Maine lease area, which is located further south than ISO-NE assumed in the initial study.

By shifting two POIs from Maine to Massachusetts and one from Massachusetts to Connecticut, ISO-NE found the region could save up to \$2.1 billion in a low-demand scenario (assuming a 51-GW peak in 2050) and up to \$4.1 billion in a high-demand scenario (57-GW peak in 2050).

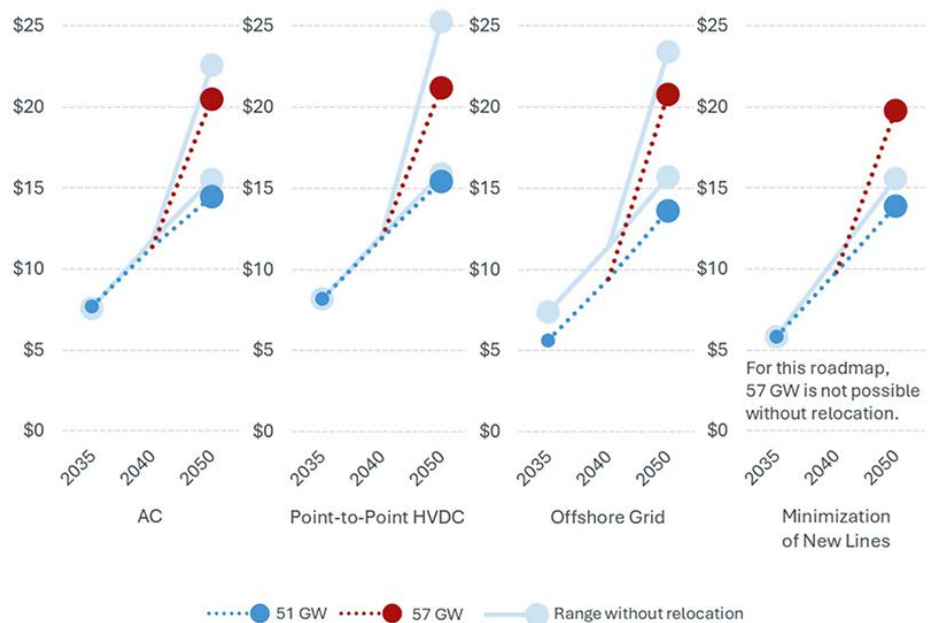
A spokesperson for ISO-NE noted that, after making the POI adjustments, the four transmission buildout strategies evaluated in the 2050 study all cost roughly the same, with any differences falling within the margin of error.

Also in the new analysis, ISO-NE

## Why This Matters

The analysis may help offshore wind developers identify the least-cost interconnection points and enable the region to reduce overall transmission costs.

Estimated cost (billions)



ISO-NE estimated transmission costs with revised offshore wind interconnection points. | ISO-NE

screened 50 potential offshore wind POIs using three 2033 load snapshots. While the original 2050 study, which focused on peak load conditions, modeled offshore wind resources at partial capacity, the updated analysis evaluated system conditions with offshore wind resources operating at full capacity.

The RTO first analyzed the POIs in isolation to determine their interconnection capabilities. It found that 19 may be able to support a 1,200-MW interconnection without upgrades, three could support up to 2,000 MW, and one could support up to 2,400 MW.

ISO-NE said the results should be viewed as "best-case since the viability of each POI could only decrease when subjected to a full interconnection study with more detailed analysis, along with other non-electrical factors such as permitting and siting."

"Up to 38% of the existing major coastal substations in New England studied may be electrically suitable for a 1,200-MW offshore wind interconnection without constructing any new transmission infrastructure and without upgrading any

existing transmission infrastructure to address thermal concerns," ISO-NE found.

While most substations would need upgrades to support a 1,200-MW injection, ISO-NE found the majority of POIs could facilitate a 1,200-MW wind farm with less than \$100 million in transmission upgrades.

ISO-NE also conducted a "multiple-POI analysis" to evaluate how multiple interconnected projects operating at full capacity at different locations on the system would affect the grid.

It found the region could add up to 9,600 MW of offshore wind before risking curtailment during low-load periods. Minimum load concerns could be further exacerbated by continued growth of behind-the-meter solar resources, ISO-NE noted.

However, "if generator owners are willing to accept significant curtailment, or pair wind farms with substantial energy storage, more than 9,600 MW may be able to reliably connect without major upgrades," ISO-NE said, adding that increasing exports from the region could also reduce curtailment. ■



# FERC Approves Mass. Distribution Fees for Energy Storage Systems

By Jon Lamson

FERC has approved filings by a pair of Massachusetts utilities establishing distribution fees for standalone electric energy storage systems (ESS) that connect to the distribution system but participate in ISO-NE wholesale markets ([ER24-2795-001](#), [ER24-2796-001](#).)

The filing comes in the wake of FERC Order 2222, which requires RTOs to eliminate obstacles for the participation of distributed energy resource aggregations in wholesale markets. FERC approved key aspects of ISO-NE's compliance proposal for the order in 2023 ([ER22-983-004](#)). (See [FERC Accepts ISO-NE Order 2222 Compliance Filing](#).)

The utilities, both subsidiaries of National Grid, wrote that ESS fees will be based on three rate components: an as-used peak demand charge; a contract demand charge; and an access charge, "reflecting different types of costs incurred by National Grid."

The peak demand charge reflects "direct costs of owning and operating its distribution system." The contract demand charge covers operations and maintenance expenses "for line transformers and meters, load dispatching, supervision and engineering, and allocated portions of labor-related overhead." The access charge incorporates "costs incurred to provide WDS [wholesale distribution service] to specific customers."

The Alliance for Climate Transition (ACT, previously named the Northeast Clean Energy Council) and the Massachusetts Attorney General's Office (AGO) filed concerns about National Grid's proposal.

## Why This Matters

The distribution tariff changes are intended to set the rules enabling batteries on the distribution systems in Massachusetts to participate in region-wide markets.

ACT made the case that the distribution fees should not apply "when an energy storage system is providing ancillary services in response to ISO-NE dispatch instructions."

The trade group wrote that FERC Order 841 exempts storage systems from transmission delivery fees when they are dispatched to provide ancillary services, and said the commission "should apply that same policy rationale to the corresponding issue of distribution charges."

The group also asked FERC to remove or revise the proposed definition of distributed energy resource management systems (DERMS), writing that "the technology is not yet utilized on the company's system," and the timeline for implementation is unclear.

It also expressed concern that additional provisions in the proposed wholesale distribution tariffs (WDTs) would result in double charging distribution costs to ESS customers. ACT also opposed language directing ESS customers to be disconnected automatically if actual demand exceeds the contract demand value.

Meanwhile, the AGO requested that National Grid update its filing to account for the effects of recent orders by the Massachusetts Department of Public Utilities on National Grid's state-jurisdictional wholesale distribution service rate calculations. The AGO asked National Grid to submit the orders to FERC with underlying data to support the calculations.

Responding to the protests, National Grid updated its filing to comply with the AGO's request and removed the automatic disconnection provision highlighted by ACT.

National Grid defended its definition of DERMS in the tariffs, writing that it is "actively implementing DERMS through its ongoing grid modernization efforts and related pilot programs," and that it will only use DERMS "when such product is a company standard offer and operational at the customer site."

The company opposed ACT's request to exempt ESS discharging for ancillary services from distribution fees.



| Z22, CC-BY-SA 4.0, via Wikimedia Commons

"The impact of ESS imports and exports for ancillary services on the distribution system is the same as any other load or exports and loads exceeding system parameters can result in exceedance of system capacity," National Grid wrote. "It is appropriate and necessary for ESS to pay for the use of the distribution system to provide ancillary services to ISO-NE."

On March 28, FERC approved National Grid's updated filing, writing that the changes to the utilities' WDTs "are a just and reasonable rate design that allows ESS connected to the distribution system to participate in wholesale markets," adding that the "rates reasonably reflect the costs of serving these customers."

The commission wrote the changes made and additional evidence and clarifications provided by National Grid "address the concerns raised by the protesting parties."

FERC agreed with National Grid's argument that ESS discharging for ISO-NE ancillary services should not be subject to distribution fees.

"While the commission found it appropriate to exempt electric storage resources from transmission charges when they are dispatched to provide a wholesale service, the commission made no such finding with respect to wholesale distribution charges," FERC wrote.

FERC directed National Grid to submit the effective date for the changes "no less than seven days prior to the date that the filing parties implement the proposed WDTs." ■

# Louisiana PSC Leaves Statewide Energy Efficiency Program Intact for Now

By Amanda Durish Cook

The Louisiana Public Service Commission has selected a contractor to measure its statewide energy efficiency program, days after rumblings that a commissioner was prepared to dismantle the long-awaited program.

The commission's March 26 meeting agenda listed a "discussion and possible vote to pause the statewide energy efficiency program." However, the PSC deferred that item and instead voted 3-2 to contract with Tetra Tech for \$7.2 million to evaluate, measure and verify energy savings for Louisiana's fledgling statewide energy efficiency program.

The step continued a years-in-the-making effort to establish a statewide energy efficiency program in Louisiana. The PSC in 2010 hired Georgia-based consulting firm J. Kennedy & Associates to draft the commission's energy efficiency rules. The firm spent more than a decade trying to land on parameters that utilities didn't oppose. The commission finally authorized a program in April 2024.

Ahead of the meeting, the Alliance for Affordable Energy, Louisiana's sole utility consumer advocate, sent notice that a commissioner was trying to undo the program altogether. It refrained from naming the commissioner. Commissioner Eric Skrmetta was the most vocally opposed to hiring an evaluation, measurement and verification (EMV) contrac-



Commissioner Davante Lewis speaks during the Louisiana PSC's March 26 meeting | La. PSC

tor during the meeting. Skrmetta's office didn't respond to *RTO Insider's* request for comment on whether the call for discussion originated with him.

In addition to Tetra Tech's bid, DNV, Opinion Dynamics and ADM Associates submitted bids at \$4.5 million, \$8.4 million and \$10.9 million, respectively.

Skrmetta said none of the companies attempted to reach out to him to explain their bids. He said the program costs seem "extraordinarily high without explanation" and could have ratepayer impacts.

"In a time where we're looking to avoid waste, fraud and abuse in government contracting, this is the type of thing where you question where we are," Skrmetta said.

Skrmetta also said it seems "counterintuitive" to spend money to gauge energy savings.

Commissioner Davante Lewis, on the other hand, said he met with representatives from the companies and believes the move to a statewide energy efficiency program will be worthwhile. He said Louisiana's investor-owned utilities already have contracted with Tetra Tech to conduct their individual energy efficiency programs. Lewis said he expected no rate impacts from the state taking charge of energy efficiency oversight.

"It's not creating new administrative costs. It's just now the commission sees those costs because the utility typically hires their EMV contractor," Lewis

explained.

But Skrmetta said he was concerned a contractor could pull off a "double dip," where it charges the commission in addition to a utility for energy efficiency measurements.

Skrmetta was joined by Commissioner Mike Francis in his "no" vote; all other commissioners voted in favor.

"This is not something we can't unwind if we need to," Francis said. The Louisiana PSC can cancel the contract with an EMV contractor with 30 days' written notice.

"We are relieved to see the commission defer an item that would have stopped efficiency planning in its tracks. Louisianans deserve real action, not delays and political games. Rolling back these programs would mean higher energy bills for Louisiana residents and more money in the pockets of utilities," Alliance for Affordable Energy's Alaina DiLaura said in a press release following the meeting.

The Alliance said Louisiana's shift to using a third-party administrator to manage an energy efficiency program "ensures that the programs are run efficiently and effectively — not by utilities whose profits depend on selling more energy."

DiLaura added that the commission hasn't found any new evidence to justify a rollback of the program.

Alliance for Affordable Energy Executive Director Logan Burke also said commissioners should keep their focus on standing up the program and not "not waste time rehashing a settled decision." ■

## Why This Matters

The Louisiana Public Service Commission appeared ready before its March 26 meeting to entertain a pause on its statewide energy efficiency program that took more than a decade to formulate. Instead, the commission reversed course and selected a third-party vendor to measure energy savings.

# MISO Feb. Real-time Prices Nearly Double from 2024

MISO's real-time energy prices in February 2025 nearly doubled from a year earlier as the footprint saw higher load and gas prices.

The grid operator recorded an average \$41/MWh real-time locational marginal price over the month compared to an average \$22/MWh in February 2024, according to an operations [report](#). The RTO's real-time price closely tracked January 2025's average, at almost \$42/MWh.

While coal prices stayed flat year-over-year in February at an average \$2/MMBtu, gas doubled from \$2/MMBtu to \$4/MMBtu. The RTO's real-time price was nearly as high in February 2022, when it

hovered at \$40/MWh as Russia's invasion of Ukraine began sending gas prices upward.

In a previous winter round-up, MISO's Independent Market Monitor said the historically low gas prices of 2024 evaporated due to sustained cold weather across the country. (See [MISO: Better Preparations Clinched Winter Storm Operations](#).)

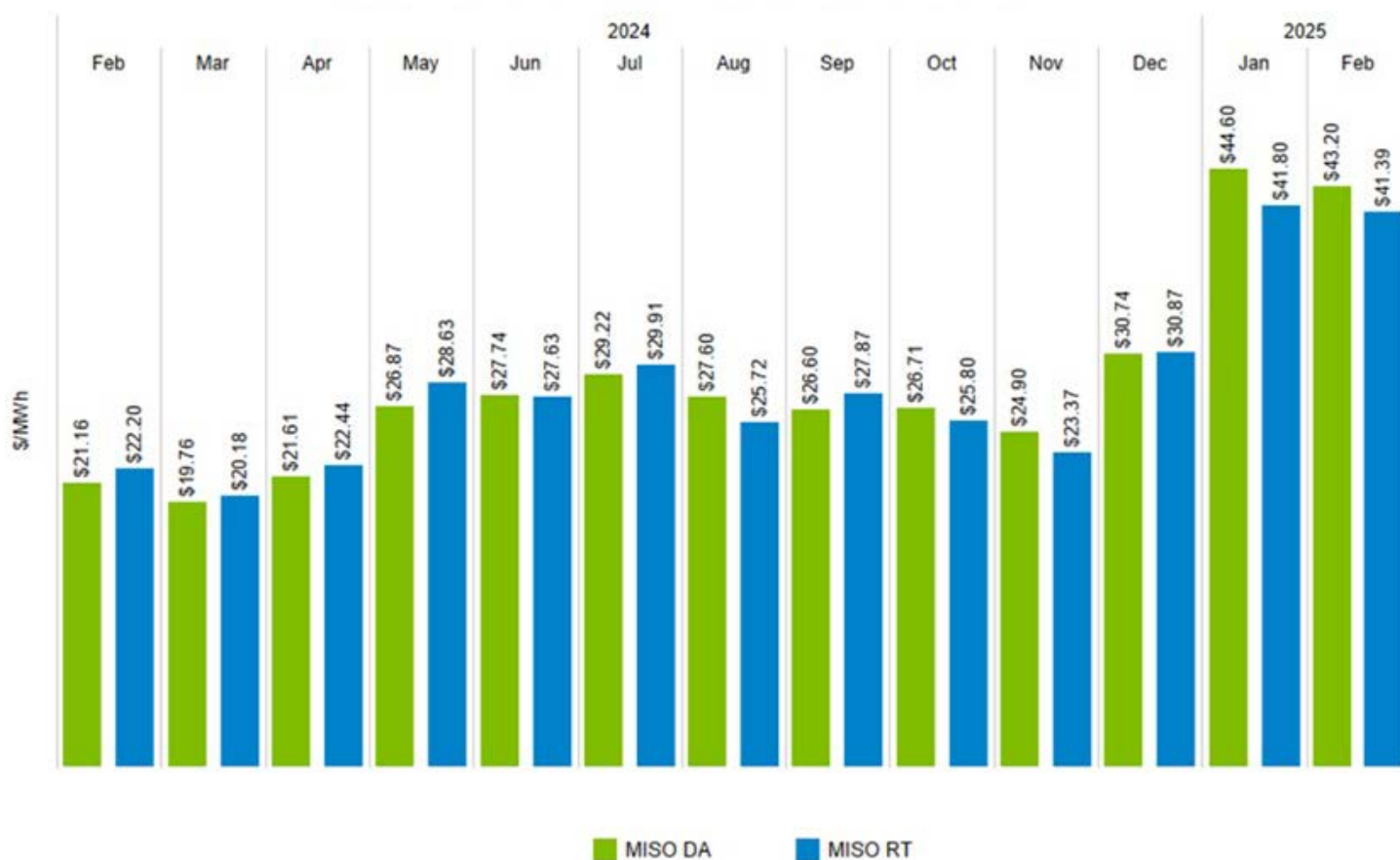
Load in February 2025 also trended higher than in 2024. MISO averaged 80 GW with a 105-GW monthly peak this year and a 71-GW average and 88-GW peak last year. The RTO also reported an average of 39 GW in daily generation outages, 4 GW better than in February 2024.

For February, solar contributions became consequential enough to earn a spot in MISO energy fuel mix totals. The RTO observed an 11.5-GW all-time solar peak Feb. 21, 2025. The figure is in line with MISO's estimate that it would end winter with a 12-GW solar fleet. (See [MISO Estimates Solar Fleet will be 12 GW by Winter's End](#).) MISO entered winter registering 8-GW solar output records.

Otherwise, MISO's reliance on coal in February 2025 was unchanged from 2022, at 18 TWh. Natural gas inched upward to 16 TWh, higher than 2022's 14 TWh. ■

— Amanda Durish Cook

Day-Ahead and Real-Time Average Monthly System Wide Prices





# Vote on NYISO Firm Fuel Capacity Accreditation Tariff Language Delayed

By Vincent Gabrielle

NYISO on March 26 unexpectedly pulled a vote on modeling improvements for capacity accreditation from the Management Committee's agenda, delaying further discussion until April 9.

Shaun Johnson, NYISO vice president of market structures, told the committee the ISO wanted more time to incorporate stakeholder feedback into the proposed tariff language.

"Unfortunately we've been entertaining and modifying the tariff up until yesterday," Johnson said. "And we received feedback from stakeholders that's really inappropriate for the MC. I completely agree that folks have not had enough time to review and vet the tariff language in advance of the meeting, so we pulled it from today's agenda."

Johnson said the revisions would be discussed April 9, on which a meeting of the Installed Capacity Working Group is scheduled. After that the proposal would be brought either to the MC's normal

meeting or a special meeting if needed.

The changes include new requirements for generators that say they are firm, with penalties for those that are unavailable when called upon. (See [NYISO Business Issues Committee OKs Firm Fuel Accreditation Concept](#).)

Johnson acknowledged that many stakeholders had concerns over the penalty structure, which would have two tiers based on the reason why the generator says it did not have fuel. Johnson reiterated that the ISO believed it was important to implement penalties that incentivize the correct behavior from generators attesting that they have guaranteed fuel arrangements.

"We are not in favor of pay-for-performance-type penalties that you've seen in other ISOs, which, for lack of a better term, can be called 'bankruptcy penalties,'" Johnson said. "Penalties of that size can incur such high risk that folks are not going to participate, which is not the purpose of the firm fuel concept."

## Why This Matters

NYISO has limited time to develop and revise tariff language for its firm fuel capacity accreditation filing with FERC.

A stakeholder representing generator interests said that it would be helpful if a special MC meeting was scheduled directly after the April 9 meeting because generators were running out of time to elect for firm fuel.

"If you file in the middle of May and don't ask for a waiver of the 60-day period, you're giving us about a week and a half to confirm if we are going to be firm fuel or not," they said. "That presumes that FERC does nothing."

The stakeholder said they understood that the ISO was in a tight place schedule wise but that they wanted to make sure the procedures were followable. They did not want generators to opt not to declare firm fuel when they otherwise were firm because they did not understand the new rules. "I'm hoping we can think about how we can maneuver timing so that we can afford as much time as possible."

Johnson said the ISO would consider those concerns.

"I think your statement itself identifies part of the problem: You envision having the language that you're looking for as giving the ISO the ability to apply the penalty when the evidence is gray, rather than black and white," another stakeholder representing generators said. "That's a huge problem."

The Market Monitoring Unit also chimed in, saying the language as written would "weaken the firm fuel capacity accreditation rules relative to the status quo." This was because generators with deficient operating plans could go many years without being detected or penalized, and the proposed penalty would not be an adequate disincentive against this situation, the Monitor argued. ■



Bayonne Energy Center in Bayonne, N.J. | Jim Henderson, CC BY-SA-4.0, via Wikimedia Commons

# A Plea to Let Markets Work at IPPNY Clean Energy Conference

## Day Ends with Rebuke of Utility-owned Generation

By Vincent Gabrielle

As attendees fussed over their last morsels of breakfast, Emilie Nelson, COO of NYISO, opened the Independent Power Producers of New York Spring Clean Energy Conference with a keynote addressing the strange situation New York's grid is in, and the need to continue to deliver reliability despite political uncertainty.

"Since the ISO's inception in 1999, system reliability has been our top priority in the face of great change," Nelson said. "We maintain that focus [through] societal changes, policy-based or technical issues, or being prepared to manage more frequent, extreme weather."

Speaking of changes, Nelson was a last-minute substitution for NYISO CEO Rich Dewey, who was called away on short notice to testify before Congress. (See related story [All 7 ISO/RTOs Send Senior Executives to Update Congress on Reliability](#).) Nelson touched on themes that probably were familiar to the audience: the tension between policy pushes for zero-emission

generation, the aging grid, increasing customer costs and concerns about winter peaking.

"It is imperative that during this time of rapid change, ... we maintain adequate supply necessary to meet growing consumer demand for electricity," she said. "Competitive markets continue to provide the most powerful vehicle to speed investment in the grid."

The message to independent power generators was not lost: The ISO needs them to continue to build more generators to replace retiring infrastructure.

Nelson said building effective wholesale markets has helped facilitate the grid's transition, reduce power costs and protect ratepayers from development cost risks. Building the market to support future reliability was her "North Star," she said.

### How Things Have Changed

The address kicked off a day of discussion about navigating these treacherous waters. Concern about Donald Trump

### Why This Matters

New York's independent power producers discussed the future of generation and there was optimism about new methods of building nuclear power plants.

and Elon Musk's disruptions came up repeatedly in panel discussions.

"The new administration feels like they've been in place for years even though it's only been 65 days," Todd Snitchler, CEO of Electric Supply Power Association, said during a morning panel discussion. "Across virtually all of the administrative agencies that impact our work, from FERC to DOE, to SEC to CFTC, all the places that touch the work we do are seeing some sort of disruption."

Snitchler said some disruption was good and some was bad but all of it was confusing. He was unsure "what the goal" of the administration is.

At the same time, Snitchler said he observed a "tremendous" amount of state-level activity. Some states, like Ohio, are leaning into markets. Other states, like New Jersey, express doubts about the role of markets on the grid.

"New York is potentially in a spot where it needs a reminder about the value markets have provided and how customers have benefited," he said.

Marie French, an energy reporter for POLITICO who moderated the panel, said she observed New York had slowed some of its climate initiatives. Some of that was due to the withering of federal support for offshore wind and other climate projects. Not all of the delays were because of Trump, in her estimation.

"They're realizing that all of these things are more complicated to implement and a little more expensive than they had hoped," French said.



Hundreds of people across the power sector arrive in Albany, N.Y., on March 25 for the IPPNY Spring Clean Power Conference. | Timothy H. Raab and Northern Photo



IPPNY CEO Gavin Donohue, remarked that until roughly six months ago, there had been a lot of conversation statewide about climate change, climate justice and carbon pricing. After the election, that conversation shifted abruptly.

"Everything has switched to be about reliability and affordability," Donohue said. "With the economic development backdrop, we have data centers, chip fabs, just a new interest in economic development where we have to build a grid out to three to four times the size."

Donohue said discussions about nuclear power also suddenly became prominent and that the state needs to build the market to attract all kinds of new generation technologies. He mentioned hydrogen and geothermal, which seem to have fallen out of the discussion, to his disappointment.

"Everything is going to collide, and we just need to be ready," he said. "We need to make sure that we promote policies that are in the best interest of ratepayers and competitive markets."

### How Do You Build New Nuclear?

There's renewed interest in building new nuclear power plants in New York. (See [NY Takes a Closer Look at Advanced Nuclear.](#)) Panelists said one key element is finding a community that wants a nuclear power plant.

Philip Church, Oswego County administrator, said that since 1969, the county has been home to the Nine Mile Point nuclear plant. The operator, Constellation, has been a good safety and economic partner, he added. "We're the home of three nuclear power plants; 75%



IPPNY CEO Gavin Donohue | Timothy H. Raab and Northern Photo



From left: Marie French, POLITICO; Laura Chappelle of Potomac Law Group; IPPNY CEO Gavin Donohue; EPSCA CEO Todd Snitchler; and NEPGA CEO Dan Dolan discuss regional challenges across control areas. | Timothy H. Raab and Northern Photo

of New York's nuclear plants are in our hometown." If Church had his way, there would be a fourth nuclear unit in Oswego County.

Despite the optimism, the history of new nuclear in the U.S. is plagued with huge cost overruns and lengthy delays. The first new reactors built in the U.S. since 2016, Vogtle's two units in Georgia went online seven years late and \$17 billion over budget. (See [NIA: Cost, Risk Sharing Needed to Grow Advanced Nuclear Pipeline.](#))

Patrick White of the Nuclear Innovation Alliance said new technologies are making nuclear power safer, more flexible

and more appropriate for more locations. He cited small modular nuclear reactors, high-temperature gas reactors and sodium liquid metal reactors. Some of these are just smaller form factors of existing reactors, but others, like the liquid metal reactor, can generate enough heat to support a thermal energy battery.

"You start to see other options of how we can think differently about nuclear technology and how can it fit into a system to complement renewables," White said.

At the same time, smaller reactors theoretically can help bring down construction costs and reduce safety concerns. If most of the components of a small reactor are built offsite and shipped to the building site, that can reduce costs. Smaller reactors run on less fuel and could be more easily contained.

While new technologies are often expensive, the panelists said this could be offset with federal, state or inter-company agreements to buy in, derisk and reduce construction costs for new technology.

"When you buy a piece of any other technology, you're paying the average cost of what they're able to produce it at," White said. "Imagine how much more it would cost to buy an iPhone if you had to pay for the first iPhone's development costs, the factory, the shipping, the supply



ACE NY Executive Director Marguerite Wells | Timothy H. Raab and Northern Photo



chain, upfront."

The panelists said co-purchasing between four to six units could hit "the sweet spot" to reduce the cost of an individual reactor.

### IPPNY Study: Competitive Generation Reduces Costs

At the final event of the conference, IPPNY unveiled a [study](#) commissioned by the New York Affordable Clean Power Alliance about the impact of competitive markets on the cost of electricity. The Alliance is a new group formed out of IPPNY, the Alliance for Clean Energy New York, the New York Battery and Energy Storage Technology Consortium, and other renewable energy organizations.

Multiple Intervenors, a consortium of large industrial interests and large electrical consumers, issued a press release shortly after the conference, supporting the study.

"This report affirms Multiple Intervenors' position that private investment in power generation results in lower electricity costs, greater reliability and improved environmental performance," said Michael Mager of Multiple Intervenors. "Returning to utility-owned generation would only increase financial burdens on businesses already navigating challenging economic conditions."

The study used the same data as an ear-

lier Brattle Group study, funded by Con Ed, that made an argument for allowing utilities to build and own generation. (See [Brattle Paper Weighs Pros and Cons of Utility-owned Generation in NY.](#))

"Nearly 30 years ago, the New York PSC adopted a set of principals ... starting with the premise that competition in the electric power industry will further [the] economic and environmental well-being of New York state," said Shannon Maher Banaga, senior managing director of FTI Consulting, the study authors. "That premise holds true today."

Members of FTI Consulting walked through their findings. After the introduction of a competitive generation market, the state's electricity prices dropped steadily over the past 30 years. Meanwhile, the price of delivery increased steadily.

"If you compare the past five years of data to the five years prior to restructuring, total generation costs since are roughly 35% lower," said Robert Kaineg, managing director of FTI. "But those of us that have been watching the news and are sensitive to these issues know that has not translated into lower bills for customers."

Kaineg said he found the costs of transmission and distribution had risen over time and that state policies supporting energy efficiency and clean energy further escalated costs.



Robert Kaineg, FTI Consulting Communications | Timothy H. Raab and Northern Photo

"We've seen this come to a head recently with an announcement by Con Ed that it was going to increase its rates by 11.4%, but that buried the lead because they were raising delivery rates by more than 19%," Kaineg said.

Kaineg added that private developers were less expensive in almost every case than utilities. Utilities faced all the same challenges that private developers did, and since restructuring, they didn't necessarily have any in-house generation-building expertise.

"There really isn't a reason to expect, from a cost or development perspective, that utilities are going to enjoy any advantages in asset development," he said.

IPPNY's Donohue, said some of the increases in transmission and distribution costs fell on an overall lack of investment in the basic necessities of energy infrastructure.

"We have avoided making tough decisions on transmission and generation," Donohue said. "When you wait 10 years to put a new line in, it's obviously going to be a lot more expensive than it was 10 years earlier."

ACE NY Executive Director Marguerite Wells, said everyone expects more of the power system now than 50 years ago. More things are electronic; more things require electricity to work.

"We have to pay the piper to do stuff that's been deferred for a long time," Wells said. "But the truth of the matter is that it has nothing to do with the source of the electricity and ... everything to do with serving the needs that people want from their power system." ■



From left: Rich Barlette, Constellation Energy; Oswego County Administrator Phil Church; New York State Pipe Trades Association President Greg Lancette; Patrick White, Nuclear Innovation Alliance; and Marcus Nichol, Nuclear Energy Institute, discuss the challenges and opportunities posed by new nuclear power technologies. | Timothy H. Raab and Northern Photo

# NY: No Impact on Energy Costs from Trump Tariffs Yet

By Vincent Gabrielle

Electricity imports from Canada into New York have continued without any change to prices, but the “fluidity and uncertainty” of President Donald Trump’s trade policy make it difficult to predict anything, state agencies reported to Gov. Kathy Hochul in March.

“It is still unclear whether the tariffs are meant to include electricity sales,” the New York Department of Public Service, New York State Energy Research and Development Authority, and Division of Homeland Security and Emergency Services said in a [joint analysis](#) released March 19. “While the 10% energy tariff has been in place since March 4, and energy imports have continued unchanged since they took effect, the tariffs have not yet appeared on invoices from suppliers.”

However, while “impossible to accurately forecast at this time,” it is expected that Trump’s threatened tariffs on non-energy products, such as steel and aluminum, would impact the supply chains for transmission and distribution facilities, generators and other utility infrastructure investments.

Trump imposed a 10% tariff on energy imports March 4, and additional, “retaliatory” tariffs — in response to Canada’s own tariffs — on vehicles and automotive parts will begin April 2. (See [Ford Suspends Ontario Electricity Tariff as Trump Wavers](#).)

“While the fluidity of this situation makes it difficult to forecast the precise energy cost impacts of the tariffs, we have concluded that the potential cost impacts would not be material in the short term, but due to extensive variables outside our control, the tariffs could have significant affordability impacts in the long term,” the agencies wrote.

Electricity costs could increase by \$42 million to \$105 million annually, while natural gas could increase by up to \$4.4 million. The agencies based this assessment on a review by NYISO of historical imports and their own review of trade patterns.

Liberty Gas — which services Franklin, Lewis and St. Lawrence counties, all along the Canadian border — is “heavily reliant” on imports for its roughly 14,600



President Donald Trump | C-SPAN

residential household customers, 1,700 commercial and 21 industrial customers, according to the report. Two co-generation plants in the North Country region also depend on imports.

The analysis also notes that about 5,400 customers in Plattsburgh receive their gas directly from Canada, and no pipelines connect the city to the state’s gas network. If imports become unavailable, the report says the local utilities in the North Country lack the specialized equipment needed to accept truck deliveries of compressed or liquefied natural gas.

In the most extreme case, if Canada were to halt electric exports during peak summer months, “it could create reliability challenges” and retired natural gas plants could be called back into service, it says.

Connor Waldoch, founder of Grid Status and former senior associate with the NYISO Market Monitoring Unit, told *RTO Insider* he suspected the impact to electricity costs could be higher than the agencies estimate.

“I suspect that in real-world conditions, the tariff could incur costs greater than the \$105 million high end of the range,”

Waldoch said. “This is both from the direct imports side ... as well as the potential increase in fuel costs for marginal units.”

He noted the agencies were working under an extremely short timeline to produce the analysis in an environment of considerable complexity. Hochul, along with U.S. Sen. Chuck Schumer, had requested the report March 10.

Kajal Lahiri, distinguished professor of economics at State University of New York at Albany, said that under the best of circumstances, economic forecasts are uncertain and include confidence intervals; this is not the best of circumstances.

“The issue right now is the market is so fragile, so uncertain as to where this is going,” Lahiri said. “What is Trump going to do? What’s really in his head?”

But regardless of what shape the tariffs take, “you know it’s going to hurt,” said Lahiri, outlining the numerous connections between the two countries. “There’s a huge business that takes place along those lines. Affecting them could mean pervasive effects on our society.” ■



# PJM Receives 94 Applications for Expedited Interconnection Process

By Devin Leith-Yessian

PJM has received 94 submissions from generation owners seeking to have new projects or uprates to existing units included in the RTO's expedited Reliability Resource Initiative (RRI) interconnection study process. (See [FERC Approves PJM's One-time Fast-track Interconnection Process](#).)

The applications amount to 26.6 GW of nameplate capacity split evenly across upgrades to existing facilities and new projects, according to a PJM [announcement](#). It includes new battery storage installations and uprates to nuclear and gas units. Once PJM has selected projects, it intends to publicly share that list, including the fuel mix and expected effective load carrying capability (ELCC) ratings. Over the next month, the submissions will be narrowed to 50 based on seven weighted criteria:

- 35 points based on the project's unforced capacity (UCAP);
- 20 points for resources with high effective load-carrying capability (ELCC) ratings;
- 10 points for projects sited in the Dominion or BGE zones;

- 10 points for being able to achieve commercial operation between 2028 and 2031;
- 10 points for evidence of permits, siting and equipment procurement supporting a project's in-service date;
- 10 points to projects that are uprates of existing generation or planned projects; and
- 5 points for projects that take advantage of existing transmission headroom.

The initiative is designed to address a potential capacity shortfall PJM has identified in the 2029/30 delivery year by allowing projects capable of quickly bringing new capacity to the grid to be included in the next cycle. When proposing the program, PJM originally said it would allow 100 projects to be included, which was reduced to 50 to ensure there is no impact to the timeline of existing queue positions. (See [Stakeholders Divided on PJM Proposal to Expedite High-capacity Generation](#).)

The selected RRI submissions will join 550 projects in Transition Cycle 2 (TC2), which together could offer about 50 GW of nameplate if completed. PJM has stated it likely is insufficient given the

## Why This Matters

PJM says adding 50 projects to Transition Cycle 2 could allow capacity that can be brought to service quickly to help address a potential capacity deficiency identified toward the end of the decade.

low historic completion rate of queue projects and the preponderance of generation types with low capacity contributions, namely wind and solar. Generation interconnection agreements (GIAs) are expected to be reached for TC2 projects in late 2026.

"This will provide an influx of reliable generation needed to help meet demand growth, in tandem with those resources that are already in PJM's generation interconnection queue," PJM's announcement reads.

PJM said it sees benefit to including projects that are unlikely to come online prior to 2030.

"Uprates and certain types of generation would be able to come online by 2030. Even for those that can't, it still benefits the PJM markets to have projects with an overall high score get a head start toward construction and commercial operation through participation in the RRI process," the announcement said.

## Clean Energy Advocates Opposed to RRI

The RRI has been criticized by environmental groups and clean energy developers, who argue it would allow fossil generation to skip a queue renewables have been languishing in for years. Several have requested rehearing on FERC's order approving the initiative, including the Environmental Law and Policy Center, Office of the Ohio Consumers' Counsel (OCC) and Invenergy Renewables and a joint request from the Sierra Club, NRDC, Appalachian Voices and the Sustainable



| Shutterstock



## FERC Project.

"PJM's RRI is a flawed, unfair proposal that clearly favors dirty, toxic gas plants, when there are plenty of renewable energy projects that have been in the queue for over half a decade that can get online faster, and at a cheaper cost than that of gas plants," Sierra Club staff attorney Megan Wachspress said in a statement on the organization's rehearing request. "We are challenging FERC's decision because we believe our communities deserve clean air and water, and cheaper, more efficient electricity. Renewable energy is the answer that can deliver both."

In its rehearing request, the OCC said it supports the RRI in concept, but argued it is incomplete without more transparency and a cost metric to prevent the 50 projects PJM selects from resulting in "uneconomic and costly solutions." While it said FERC's order addressed the

transparency concern by requiring PJM to post the selected RRI projects and their scores, it said the commission failed to ensure the proposal does not result in unreasonable costs for consumers.

## LS Power Announces Participation

LS Power *announced* it had submitted five projects to upgrade existing generators under RRI, including converting two gas peakers to combined cycle units. Transforming the peakers — which are located in Troy, Ohio, and Armstrong, Pa. — would add 600 MW in combined output, while an additional 100 MW could be added across the company's Doswell, Hummel and Hunterstown gas generators. The announcement said the projects would amount to more than \$1 billion in investment.

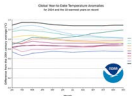
"With surging demand across the region, LS Power is answering the call for more dispatchable generation to support reliability and resource adequacy, and

at a cost less than greenfield new build," LS Power Generation President Nathan Hanson said. "Our proposed capacity projects are well positioned to meet the requirements of PJM's RRI and help ensure electric reliability."

The Independent Market Monitor has been a proponent of the RRI and has called for its expansion. Rather than being a one-off measure, Monitor Joe Bowring has called for PJM to use it as the basis for a program that could be used to expedite the interconnection study timeline for generation projects that could resolve identified reliability needs.

In addition to capacity shortfalls, he said, that could include instances where a resource deactivation would cause transmission violations, which can cause PJM to enter into costly reliability-must-run (RMR) agreements to keep those units online. (See *PJM Market Monitor Publishes Mixed Views in Annual Report.*) ■

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# PJM Responds to FERC Co-located Load Investigation

By Devin Leith-Yessian

In comments on a FERC investigation, PJM said there are several pathways to bolster the ability for large consumers to benefit from co-locating with generators.

"What PJM and the industry need now is commission guidance on a path forward based on the record developed in this proceeding," the RTO wrote in its March 24 response to the investigation into whether the RTO's tariff can accommodate co-location without compromising reliability or consumer rates ([EL25-49](#)).

The investigation was opened in Febru-

ary after FERC rejected an agreement between Amazon Web Services and Talen Energy to expand a data center co-located with the Susquehanna nuclear plant in Pennsylvania, by modifying the generator's interconnection service agreement to reduce its output to PJM. (See [FERC Launches Rulemaking on Thorny Issues Involving Data Center Co-location](#).)

PJM's comments laid out three approaches to co-locating load already permissible under the tariff and outlined five more that could be developed to recognize more possible configurations or limitations imposed by state laws.

## Why This Matters

Data centers increasingly are seeking to co-locate with generation. PJM has told FERC that more guidance is needed to ensure its rules balance the interests of new load with existing consumers.

The existing options cover arrangements where the load is co-located but not sharing a point of interconnection (POI)



Talen Energy's Susquehanna Steam Electric Station located in Salem Township, Pa. | © RTO Insider



with the generator; shared POIs where the load is metered separately from the generator; and behind the meter (BTM) generation.

For data centers and the sorts of large consumers now pursuing co-location, PJM said the first two options are preferable because of the high reliability they carry, with the generation retaining its capacity status and the load paying for ancillary service and network integration transmission service (NITS) charges.

Having the load in front of the generator's meter avoids relying on protective schemes that could fail; provides the consumer with more stable service; makes any curtailment management simpler to implement; and allows for more "comprehensive and holistic" system planning, PJM argued.

The BTM approach was designed for smaller loads with a proportional amount of on-site generation, which is capped by the tariff. Due to the inability to ensure reserves to cover the BTM resource, it can't be given capacity status, and the load must procure capacity and NITS equal to its net consumption during coincident peaks.

Options 4 and 5 could apply to configurations where the load is behind a protective mechanism to prevent the consumer from drawing energy from the grid if the generator goes offline. The latter also allows the load to request permission to use PJM's system as a backup.

The two are the only options that allow co-located load to avoid being designated PJM network load and allocated NITS and capacity costs. Ancillary service charges still would apply on the grounds that the generator benefits from network characteristics such as regulation, black start and reactive capability that inherently pass through to the load.

The generator also would be assigned any network upgrade costs associated with its output being reduced. Both are considered "less preferred" by PJM due to the risk of the protective schemes misoperating, causing the load to receive energy from the grid. PJM wrote that there was an event in November 2023 during which Susquehanna had an unplanned outage, and the load appears to have remained online and taken service from the grid.

Requiring ancillary service charges for co-located load was a sticking point for stakeholders considering several proposals for revising the RTO's rules in 2023, along with jurisdictional questions about whether the load receives wholesale or retail energy.

The Markets and Reliability Committee ultimately rejected an Exelon-sponsored proposal that would have metered the generator and load separately, while allowing the generator to offer its full accredited capacity to PJM and requiring the load to pay for a capacity commitment through load serving entity charges. (See "Proposed Rules for Generation with Co-located Load Rejected," *PJM MRC Briefs*, Oct. 25, 2023.)

"Ancillary services pass through transmission lines, not the air. Therefore, cost causation principles appear to support allocating co-located arrangements ancillary service costs (at a minimum)," PJM wrote. "Further, simple netting may not capture the costs 'caused' by co-located data center arrangements. Indeed, it is possible that such arrangements (depending on how they are structured) could avoid all costs because they would always net to zero (meaning the entire data center load is supplied by the co-located generator)."

Option 6 seeks to incentivize large loads coming onto the grid to bring their own generation by expediting interconnection studies for co-located resources. The generation still would be responsible for its own interconnection costs, and the load would be allocated NITS, energy and capacity charges.

Option 7 would allow co-located load to reduce its capacity obligation by committing to curtailing when requested by PJM in advance of anticipated emergency procedures. The load would not be included in the load forecast, and it would receive less priority to service from PJM, while the generator would be able to offer its capacity to PJM.

Building on existing demand response rules, Option 8 envisions changes to federal and state environmental rules around backup generation to allow the load to remain online when the co-located generator is required to serve PJM load by expanding the number of hours that reciprocating internal combustion engines can operate.

While broad changes to the capacity market design are not necessary in PJM's perspective, it said some configurations might require new exceptions to the requirement that capacity resources offer into the energy market. Non-network load cannot be supplied by committed capacity, so for a resource holding a commitment to be dedicated to co-located load, it would need to request for its capacity status to be revoked. That process requires either a FERC order or approval from PJM and the Independent Market Monitor following a determination there would be no market power implications.

"Simply put, absent commission guidance to the contrary and PJM authorization, PJM cannot be in competition with non-capacity backed co-located loads for the output of a capacity resource. PJM cannot be simultaneously responsible for ensuring the energy needs of the PJM region and unsure whether a capacity resource will decide to serve PJM loads or co-located loads. Sellers should not be afforded the economic choice of following through on capacity commitments or incurring capacity resource deficiency charges and/or non-performance charges," PJM wrote.

Jurisdictional questions also remain, with PJM arguing that some states grant exclusive franchises to public utilities that could prevent co-located load from accepting service from any entity other than the local utility. In some cases, there could be a regulatory gap where FERC does not hold jurisdiction over non-wholesale electric sales and states only regulate transactions where a sale is to the public. The comments noted the residual nature of the RTO's capacity market and said there's an opportunity to explore how bilateral transactions could fit into the co-location paradigm.

"State law regulatory particulars may, in certain instances, determine whether particular co-location arrangements will be regulated by the states or permitted by states with a franchised public utility model. As such, the propriety of the co-location arrangements proposed ... are subject to different state law requirements that could disqualify certain options," PJM wrote. ■



# Legislators Seek Greater Transparency in PJM Voting

By Devin Leith-Yessian

Several state legislatures within the PJM footprint are considering bills that would mandate public utilities report every vote they cast at the RTO, with some also requiring a description of how those actions would benefit ratepayers.

Maryland Del. Lorig Charkoudian (D) said she believes there is widespread interest in expanding transparency as capacity costs sharply increase and PJM proposes major transmission expansions and costly reliability-must-run (RMR) agreements with generation owners. Charkoudian has proposed legislation in the past three sessions that would require public utilities to submit annual reports detailing their votes.

The Maryland House of Delegates is set to vote on *SB0037*, with language that



Maryland Del. Lorig Charkoudian speaks at the 2023 PJM Annual Meeting. | © RTO Insider

mirrors a *bill* Charkoudian introduced last year, on April 1. Similar legislation has been proposed in *Delaware, Illinois, Virginia, Pennsylvania, Indiana, West Virginia* and *New Jersey*.

Charkoudian said when utilities that are granted a monopoly in exchange for acting in the public interest are voting on those topics at PJM, it is imperative that state legislators and regulators have insight to ensure they are upholding their end of the deal.

"I think that for a very long time, most people's eyes would glaze over when you talked about PJM. It is legitimately hard enough to understand energy policy in the state ... and also talking about an RTO with 13 states and a governance process that as far as I can tell is purposely obfuscated," she said. "I've spent a lot of time trying to figure out how we engage ... given that PJM acts as a shadow government."

By requiring that utilities report to the Public Service Commission, Charkoudian said the legislation avoids the jurisdictional issues that would come with trying to put requirements on a federally regulated RTO.

Exelon *argued* that the legislation could conflict with FERC jurisdiction over PJM and cause administrative burdens, given that PJM holds more than 400 stakeholder meetings annually.

## Why This Matters

State legislators say additional transparency is needed on how utilities are voting at PJM, particularly as capacity and transmission costs are sharply rising.

In an *announcement* of his co-sponsorship of HB-782, Pennsylvania Rep. Christopher Rabb (D) said PJM's practice of not recording votes taken at its lower committees — those outside of the Markets and Reliability and Members committees — can allow damaging policies to advance before voting becomes public. The legislation would require utilities to disclose their votes to the Public Utility Commission with a description of how that action is in the public interest.

"Decisions by PJM and its members (the utilities) directly impact our commonwealth's transition to clean energy and the cost of electricity. Allowing these secret votes with no accountability is akin to the fox guarding the hen house," Rabb said. "The people have a right to know about the decisions that are being made behind closed doors — especially as those decisions impact our policies and people's paychecks." ■

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# Constellation-Calpine Merger Draws Protests over Market Power Concerns in PJM

By James Downing

Constellation Energy's proposed merger with Calpine drew several protests at FERC on March 25 urging the commission to reject the deal, or at least to impose more stringent requirements than the companies initially proposed ([EC25-43](#)).

Constellation is buying Calpine for \$26.6 billion, with the latter's current owners — Energy Capital Partners — having a minority share of less than 10% in the combined firm. It proposed selling off 3,546 MW of Calpine's natural gas plants in PJM, which is home to the biggest overlap of the two firm's nationwide operations. (See [Constellation, Calpine Propose Selling PJM Plants to Cut Market Power](#).)

PJM's Independent Market Monitor told FERC it should require specific structural and behavioral commitments on the combined firm, which would not burden the applicants, as they would preserve competition in the RTO's markets.

"Constellation has a unique role in PJM markets as a result of its ownership of 18,019 MW of nuclear capacity, 59.1% of all nuclear capacity in PJM," the IMM said. "The nuclear units operate at a very high capacity factor, meaning that market prices at all hours directly affect Constellation's net revenues from the energy and ancillary services markets. Calpine is one of the largest owners of natural gas-fired capacity in PJM, providing it with the ability to set prices in the PJM energy and ancillary services markets when it has market power."

To actually achieve lower market concentration, Calpine's gas plants should not be sold to any of the existing pivotal suppliers in PJM. The Monitor suggested it should be sold to a firm that owns less than 3% of installed capacity.

Constellation owns nuclear and some hydroelectric resources in the ComEd and PECO zones, the latter of which is on the low-priced side of the constraints pertaining to the Conastone transformer along the Pennsylvania-Maryland border.

## Why This Matters

Several protests urged FERC to reject the merger, while PJM's Monitor called for additional behavioral requirements on the combined firm.

Those constraints impact prices around PJM.

"Calpine has dispatchable resources in the area around these constraints," the IMM said. "This means that the transaction will cause Constellation to have greater ability to increase prices in the energy market to the benefit of its large, high-capacity factor generators. This increase in market power can only be mitigated through the use of the behavioral conditions proposed by the Market Monitor."

Constellation already has several behavioral agreements with the IMM; those should also apply to all of the new generation it is buying in this deal, the Monitor argued. It filed a [report](#) that includes a long list of behavioral requirements, including 18-month notices before retiring a plant, limiting energy offer markups to \$1/MWh, self-scheduling nuclear plants at their maximum output and bidding restrictions in the energy market.

"Additional provisions are needed, given changes in the PJM market rules to address potential withholding of capacity market offers and co-located load," the IMM said. "Given Constellation's market power in PJM, as the largest single provider of capacity and energy, the behavioral rules would ensure competitive energy market offers and would prevent physical withholding of Constellation's resources."

Even though ECP will own less than 10% of the combined firm (the actual percentage has not been revealed), the Monitor said that could bring up anticompetitive issues, as the firm owns other resources in PJM.



Constellation Energy's headquarters in Baltimore | Constellation Energy



"The best structural option would be to not allow ECP to own any part of Constellation following the transaction," the Monitor said. "The best behavioral option would be for ECP to sign a binding document preventing ECP from knowledge of or any input into any Constellation decisions related to Constellation's assets."

Public Citizen, PennFuture and the Clean Air Council filed a joint protest of the deal, saying FERC should either block it or impose significant structural and behavioral conditions. They argued the companies failed to prove the case that the merger is in the public interest.

"They do not address the public's lost benefit of their competition," they said. "They are silent on the transaction's likely exacerbation of Constellation's ability, incentive and propensity to exercise market power in PJM by withholding supply in PJM energy markets and by withdrawing supply entirely from PJM wholesale markets."

While the two firms own substantial generation, they are also large retailers in the states that allow shopping for electricity, the groups said. FERC needs to pay attention to how the deal will impact those

markets, they argued.

The Pennsylvania Office of Consumer Advocate said the deal will have a negative impact on the state's retail market, arguing that it would increase concentration in the commercial and industrial sector by nearly 500 points on the Herfindahl-Hirschman Index, when FERC triggers mitigation measures for an increase of just 100 points. Constellation serves 31.7% of the C&I market as the leading competitor, while fourth-place Calpine serves 7.7%.

Most of Pennsylvania's mass market residential customers are served on default service auctions, and the deal will combine two of the biggest bidders. The consumer advocate noted the auctions are confidential and it cannot determine how much, if at all, the deal would impact default service.

"Though the concern about adverse impacts on competition in the market for default service auctions in Pennsylvania is conceptual rather than empirical due to the unavailability of the data required to conduct a thorough analysis of this issue, the potential for large numbers of residential and small commercial

customers to be detrimentally affected exists," the Pennsylvania consumer advocate said. "This determination will hinge on the degree to which Constellation and Calpine have historically participated in these solicitations and the overall degree of market participation."

The Maryland Office of People's Counsel filed its own protest, urging FERC to reject the application or hold more hearings because Constellation and Calpine failed to justify the deal.

"Even with the divestiture, the proposed transaction in this matter poses specific market power concerns because Calpine and Constellation's respective generation assets are complementary rather than identical," the OPC said. "The transaction combines Calpine's higher-marginal-cost, fossil fuel-fired generating units, providing Constellation the ability to withhold power post-merger for relatively little loss in profits (its 'ability' units), with Constellation's lower-marginal-cost nuclear plants, which would benefit from higher clearing prices and therefore increase Constellation's incentive to withhold power (its 'incentive' units)." ■



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# NJ BPU Chief Running Against the Clock

## Demand Surge Squeezes Lame Duck Governor's Clean Energy Plans

By Hugh R. Morley



New Jersey BPU  
President Christine  
Guhl-Sadovy | © RTO  
Insider

TRENTON, N.J. — Christine Guhl-Sadovy, president of the New Jersey Board of Public Utilities, has a lot to do and little time to do it in.

Her boss, Gov. Phil Murphy (D), leaves office at the start of

2026 and is not shelving his ambitious clean energy plans, even if the Trump administration would like him to.

Murphy wants more electric vehicles on the road, a surge in solar, plentiful storage in place to make up for the vagaries of sun- and wind-powered generation, and a steady increase of buildings fitted with electric heat and hot water systems where gas-powered facilities once would have done the job.

The governor also has not given up on his vigorous efforts to jump-start the state's offshore wind (OSW) sector, though Trump, rising costs and tortured supply chains may have pushed that beyond his reach.

"A year is a long time," Guhl-Sadovy said in an interview with *RTO Insider* on her agency's energy priorities in this unpredictable era. "And I would say we're running for the tape, as they say. We're not slowing down."

The BPU chief also is charged with keeping the cost to ratepayers manageable, a task made much trickier by an expected 20% hike to the average electricity bill in June as a result of a basic generation services auction in February.

Some of that hike is driven by the state's electricity supply shortfall, which is widely expected to get worse as data centers come online in the state and EV adoption rises. New Jersey, an energy importer, is one of the 13 states served by PJM.

Guhl-Sadovy is convinced cheap, clean energy is the answer to many of these problems, a position that in part reflects her early career. Her resume includes a stint as an organizing representative for

the Sierra Club, working on OSW issues, after which she became legislative and political director for Planned Parenthood.

She became chief of staff to former BPU President Joseph Fiordaliso and then cabinet secretary for Murphy, who first placed Guhl-Sadovy on the BPU and then tapped her to become agency head when Fiordaliso died unexpectedly in September 2023. (See *NJ BPU President Fiordaliso Dies.*)

So, she knows the view from inside and outside the state's halls of power. And she plans to do what she can to make sure Murphy gets the maximum impact from the waning days of his administration.

"The big priority is getting as much clean energy onto the grid as possible," she said. "Our goal here is always to do everything that we do with an affordability mindset, and so ensuring that clean energy is helping to drive down prices, and making clean energy available to as many people as possible, is going to be the No. 1 priority."

"Unfortunately, a lot of people have intentionally or otherwise confused clean energy with the increase in capacity prices," Guhl-Sadovy said. "In fact, we know that without solar and storage and onshore wind in other states in the PJM region, those prices would be even higher. And so, we really need to get as much clean energy out of the PJM queue [and] onto the grid as quickly as possible to help provide stabilization to long-term prices."

### Juggling Priorities

*RTO Insider* interviewed Guhl-Sadovy days after the BPU released a draft of the New Jersey's next Energy Master Plan. It predicts the state will face a 66% hike in electricity use by 2050 under the current policies and forecasts triple-digit growth if the state follows any of three more aggressive electrification policies proposed in the plan. (See *NJ Releases Electrification-focused Energy Master Plan.*)

**RTO Insider:** What are the BPU's energy priorities for the next year?

**Christine Guhl-Sadovy:** "We know that we have demand increases being

### Why This Matters

Guhl-Sadovy has a background in grassroots activism, so she ensures stakeholder voices are heard as she sets board priorities to deploy more clean energy on the grid, get more EVs on the road and keep electric bills as low as possible.

projected, primarily resulting from data centers in the PJM region, not necessarily even in New Jersey at this point. And we know that clean energy has helped to minimize the price increases by getting more clean energy. And we want to continue to do that.

"Solar and storage are the fastest resources to get onto the grid and to get through PJM, and so we want to get as much as possible onto the grid. If there's one or two (priorities), a big one would be getting the storage incentive program open. We are going to move forward with our competitive solar solicitation, our next community solar allocation (and) working toward our [2025] energy efficiency program," known as Triennium Three.

**RTO:** A common assessment of the state's problems is that supply is limited, and PJM often is blamed. (Critics say the RTO failed to forecast and prepare for the demand surge, which has been exacerbated by lengthy delays that prevent new generation projects — especially clean energy — from exiting the waiting queue and opening for business). What is BPU doing to try to address the problems at PJM?

**CGS:** "A couple of things. Supply is really important, but I think it's also very important to understand that it's not just the supply that is driving up prices. (It's also) the PJM market rules, which the BPU has been advocating changes for, and the PJM queue, which, when Joe Fiordaliso was president, we were pushing PJM to expedite their queue reform — even

before we saw these auction prices that were as high as they are.

"Those are two related, but not exactly the same, issues that are driving up prices. One is the market rules, which we have been pushing PJM on and continue to push PJM on and have gotten some changes as directed by FERC. We have filed numerous comments (with FERC) on these market rule issues, on the queue reform issues. We supported Gov. [Josh] Shapiro's lawsuit around the cap." (See [PJM, Shapiro Reach Agreement on Capacity Price Cap and Floor.](#))

**RTOI:** What PJM rules are at issue?

**CGS:** "The (PJM) auction for July of last year set prices for the energy year that is coming up and implicated our own auction. It's a projection for how much capacity is going to be needed a year in advance, and those projections changed dramatically from 2022 to 2024 — ... PJM's own projections for what we were going to need in the upcoming five years, in terms of capacity, driven by some retirements of some generation, or planned retirements of some generation, and an increase in demand."

Based on that process, bid prices in July were 10 times those of the previous year, she said.

"And so, we want to make sure, at minimum, that the auction prices and the auction reflect the real projected supply and demand. We want to make sure that all available generation is being counted so that that doesn't have an artificial scarcity effect on the market, so all the available renewables are bidding into the market and are counted, making sure that peaker plants are counted, as available generation."

### Paying for Infrastructure

**RTOI:** What is the future for New Jersey's wind sector? EPA just reversed the permits on the Atlantic Shores project, which is New Jersey's most advanced wind project and had final approval from the federal government. Is the wind sector dormant until Trump decides it's not, or — assuming the EPA reversal is overcome — could Atlantic Shores move ahead anyway? (See [EPA Puts Hold on Atlantic Shores OSW Permit.](#))

**CGS:** "We have three awarded projects still in New Jersey, including Atlantic Shores and Attentive [Energy Two] and Invenergy [a joint venture with energyRE,

known as Leading Light Wind]. But there is supposedly an executive report coming out at some point [from the Trump administration]. I would assume over the summer. That will be a deciding factor for how these projects can move forward, not just in New Jersey. All the developers are waiting to see how this executive report plays out, whether it's going to be narrow or broad.

"We certainly hope that the president, over the next several months, will see the importance of getting offshore wind online. When we think about needing generation, and I think the president has noted, we know we need large-scale generation to help keep prices stabilized over time. When we think about the projects that could connect to the grid, even in this PJM region, in the medium term, five to seven years, those [offshore wind] are the projects." (See [NJ Abandons 4th OSW Solicitation.](#))

**RTOI:** What is the status of the pre-build project to develop the infrastructure to tie offshore projects to the grid?

**CGS:** "It's still pending. It's an open solicitation."

**RTOI:** What are the state's plans for upgrading infrastructure?

**CGS:** "For things like solar and storage and transportation electrification, we have our grid modernization proceeding. We put together several working groups, and we're finalizing the changes to the interconnection rules from those. That's really about efficiency, alignment amongst the utilities, so that there's a very clear process for how projects can get into the grid, and whether there's available capacity — doing hosting capacity maps so that developers can know where there's capacity for projects to come online. And we're already working on recommendations from our second set of grid modernization rules."

**RTOI:** Is there funding in place for grid upgrades?

**CGS:** "That will be part of the conversation for the second grid modernization rules. How should funding and funding needs be allocated? But infrastructure costs money. If we are expanding economic development in parts of the state like Cumberland County, where they traditionally didn't have the same kind of capacity needs for the grid as they might now have, whether it's data

center or storage or solar, they need new infrastructure to support economic development. So, we have to figure out a way that allocates the costs of meeting new infrastructure, whether it's for load growth related to data centers, whether it's for solar interconnecting."

### EV Adoption Rate Slows

**RTOI:** Do you think the state is doing enough to promote EV adoption, or does there need to be a change of course? (ChargeEV-CNJ announced the growth rate of EV registration slowed a bit in 2024, growing by 40% compared to a 66% increase in 2023.)

**CGS:** "All of the EVs on the road didn't get incentives from the state, obviously. The incentives through the BPU and the [EV charging] infrastructure, through [the Department of Environmental Protection], were really about helping to spur the market. And I think that we have been successful in doing that. Now we're focusing a lot of our incentives on income-eligible drivers, so that the people who really need the incentive to make the switch can do that. But certainly, there's uncertainty at the federal level with how there's going to be federal support and tax incentives for EVs. So, we're trying to do as much as we can at the state [level] to make sure that market continues."

**RTOI:** You were a grassroots activist early in your career. What does that bring to your job as BPU president?

**CGS:** "That's such an interesting question. When I was an organizer at the Sierra Club, I actually organized around issues that this department was handling and [was] advocating for progress ... at that time [on] the [Offshore Wind Economic Development Act](#). I think that has given me a really clear view of stakeholder interests, and what is important. Coming into the administration and coming into government from that kind of background has been a valuable experience for me to have because of being able to identify what things matter to different stakeholders and also being able to communicate with stakeholders."

"The importance of balancing interests and making sure that everyone is heard and getting feedback from different industries and parties. I feel like it's one of the most valuable experiences that I've had to bring to this role." ■



# Sugg Silenced Her Inner Voice for SPP's Success

Retiring CEO's Tenure Marked by Western Expansion, Pandemic

By Tom Kleckner

AUSTIN, Texas — Having ascended to the top of her profession as SPP's CEO, which she left March 31, Barbara Sugg presents the image of a very accomplished woman who is confident of her abilities.

Sugg served as SPP's chief executive for five years and was also the first woman to serve as a fulltime leader of a North American RTO or ISO. She guided the grid operator through a pandemic at the outset of her tenure, and she kept SPP's sights on establishing markets in the Western Interconnection. For that, the Gulf Coast Power Association (GCPA) has named an award after Sugg and MISO's Clair Moeller that celebrates excellence, innovative strategies, influential contributions, unwavering enthusiasm and dedication to their work.

A 39-year veteran of the industry, Sugg founded and developed the *Leadership Foundation for Women*, a nonprofit that seeks to equip women for career success. A "proud Ragin' Cajun" despite her many years in Little Rock, Ark., she also makes a mean gumbo that is the hit of her 200-person nonprofit dinners. "Real gumbo doesn't really exist in Arkansas unless it came out of my kitchen," she said.

Despite all that, Sugg battles with imposter syndrome. It is defined as a psychological phenomenon characterized by persistent feelings of inadequacy, fraudulence and self-doubt, despite

evidence of one's accomplishments. Individuals with imposter syndrome often chalk up their successes to luck or external factors, rather than their own abilities.

And that's Barbara Sugg.

"The only place I don't have imposter syndrome is at home, where everyone loves me unconditionally," she told her audience during a November 2024 keynote address to the GCPA emPOW-ERing Women Leadership Conference. Sugg was initially reluctant to have media coverage of her speech, saying the topic was very personal to her. In the end, she relented.

"The thing about imposter syndrome, it isn't just present at work. I've only realized this in the last couple of days," Sugg said during her keynote. Referencing her foundation's gumbo dinners, she said, "Every year, without fail, I'm thinking, 'I hope they like it. I hope they feel it was worth their donation. I don't know if they'll donate again.'"

"Why do we do this to ourselves?" she said before asking her listeners to stand up if they were their own worst critic. Many did.

"I just needed to get some reassurance because I have said for years that I'm my own worst critic. I criticize my cooking; I criticize my work; I criticize how I presented. I promise you I will criticize myself later today for this presentation," Sugg said. "I am my own worst critic. You are your own worst critic. So why are you so

## Why This Matters

Retiring SPP CEO Barbara Sugg shared her experience with imposter syndrome and how to overcome it. Sugg has succeeded in guiding the RTO through the COVID-19 pandemic and positioning it for future success.

worried about everybody else's criticism? You give yourself more criticism than anybody else is ever going to give you.

"I wish someone had told me that 20 years ago, because it's so true, I so much fear the criticism of other people that it can be paralyzing unless I can say, 'You know what? That's just a voice. It's just a voice that's trying to keep me safe, because if I don't take the risk, I can't fail.' Nobody else is ever going to judge me as harshly as I'm going to judge myself. So cut yourself some slack. Stop fearing other people's judgment."

Sugg's comments were met with a standing ovation. "Thank you so much," one woman said. "I didn't know I needed your speech until it happened."

"I felt good about the reception I got from the audience at GCPA," she told *RTO Insider*. "Apparently, the keynote right after lunch started with, 'I also got a promotion today. I'm the president of the Barbara Sugg fan club.'"

During a Q&A after her speech, Sugg was asked how she was approaching retirement. She said she had been going through different emotions about leaving an organization she had been with since 1997.

"Leaving is a big deal, and in my position, not many people leave on their own terms," she said. "I have a lot of emotions about leaving because I care very deeply for our employees. So, my latest analogy — because I love a good analogy — is that I've put my family up for adoption, but I don't get to pick the new parents. It's an open adoption so I can still check



SPP CEO Barbara Sugg delivers a keynote address on imposter syndrome during a 2024 GCPA conference.

© RTO Insider

in on them [and] make sure everybody's doing okay."

SPP in December selected Lanny Nickell as its CEO, effective April 1. (See [SPP Names COO Nickell to Replace Sugg as CEO](#).)

Sugg told her questioner she believes a work culture that feels like family is "tremendously valuable."

"When you feel like you're working with family, you and they will do anything for you. You need help? People are there for you. The competition in the workplace can be very challenging. It creates all kinds of insecurities around you ... but to have people that feel like family, that you care about and they care about you, that makes going to work a whole lot better."

It wasn't always that way for Sugg. She said no one during her childhood told her she was smart, kind or important. "What a difference that would have made for me throughout my life and my own confidence."

Sugg found her computer science classes in college to be hard and herself to be dependent on her classmates. She said everyone is dependent on each other within their own "tribe" in school. Sugg's first job was a disaster: the "first and worst situation I ever saw with women being ugly to other women." That included her female manager, who would dress her down in front of others.

"I've tried to unravel why she was that way, but it just fed that voice in my head that I wasn't good enough, because here's this woman yelling at me, telling me I'm not good enough," Sugg said.

Fortunately for her, she was recruited to the Louisiana Energy and Power Authority by the person she had replaced — "She probably knew she needed to rescue me," she said — and that led her to SPP and an IT department with about 10 people.

"I loved solving problems, especially with technology. I loved helping people understand how things worked," Sugg said.

She recalled the day her boss came into her office and told her IT employees tend to fall into one of two tracks.

"They're either on the technical track, where they're great at solving problems and providing solutions and technology and support, or they're in the managerial track, where they're leading people." With

every fiber of my being, I looked at him, and I said, 'Well, I totally see myself on that technical track.' He closed his eyes and he shook his head.

"I can remember it like it was yesterday. At the time, I was insulted because what he had just told me is, 'You're not good enough to be technical, therefore you probably belong in the managerial track.' That's what I heard. Now, how crazy is that?"

As it turned out, Sugg's manager knew better. He surprised her by promoting her into management. However, Sugg's inner voice said, "Unearned. Undeserved." Sugg continued moving up the corporate ladder, attributing it to luck.

"These were not jobs I was applying for. I was just trying to be the best I could be in the job I was in," she said. The voice in her head said, "You don't know anything about this job."

Still, SPP board members would suggest to Sugg from time to time that she consider applying to be CEO. Nick Brown, the only chief executive most staffers had known at the time, is going to retire at some point, they would tell her.

"I was like, 'No, I don't think so.' I had this image that the CEO is this amazing person that has all this knowledge and well, most of them have really big egos to go along with that knowledge," she said. "They carry themselves a certain way, and they look a certain way. I thought, 'That is definitely not me,' because I look in the mirror and think, 'You don't know what you're doing. You're not very smart. You're not very good at this.'"

Sugg said she did not work on her resume from the time she joined SPP in 1997 until she eventually put her name in the hat for the CEO job in 2019. Two events helped quiet her inner voice. She read a book that stressed the importance of "knowing what you don't know," and she hired a coach who taught her the power of self-awareness.

"Knowing what you don't know is not about becoming an expert at those things. The key is just knowing what you don't know because I can have a lot of confidence about what I do know," said Sugg, who places sticky notes around her home and office inscribed with "KWYDK."

"If your self-awareness is high, you can

almost step back from a situation and watch it from above, and then you can use that ability to step back from it, to be intentional about what you do next," she said. "I learned a lot about self-awareness. I learned I started getting a lot more comfortable about being confident in what I knew and being OK with what I don't know, because I have this awareness about what I don't know, and I know who knows it. I don't need to be the expert at these things."

Having taken a new outlook on life, Sugg applied for the CEO job under one condition: "That I can be me." During her interview, she detailed what she was great at and listed the things she didn't know.

"If you need the CEO to be great at these things, please don't pick me." I actually said that in the interview," Sugg said. "I was so confident about the type of leader that I would be and confident about the type of expertise that I didn't have, but who knew who had it and how to empower them to be successful in those roles. That was refreshing to the Board of Directors, and lo and behold, I got lucky again." (See [Sugg Prepares to Take 'Dream Job' at SPP](#).)

And now, five years later, Sugg enters retirement. She plans to take care of her elderly mother, spend more time with her two grandchildren and explore the "deep blue sea" with her husband. She has been feted by SPP staff and delivered her final president's report to the board.

"I remain convinced that our expansion into the Western Interconnection and the desire that so many Western entities have to look to SPP for their market services will absolutely provide massive value to SPP in the long run," she told stakeholders in January. "I look forward to watching those successes from the sidelines."

Concluding her November speech at the GCPA conference, Sugg told her audience that 2025 will be SPP's biggest year ever.

"If you really want to know what drives me, it's making a difference in the lives of other people," she said in an email. "I've been telling people that I feel like I'm running out of time to make a difference, but then ... aren't we all?

"So what are we waiting for?" ■



## Company Briefs

### States End Wells Fargo Probe After Bank Drops Net Zero Goals



A group of 18 states ended their investigation into Wells Fargo & Co.'s climate efforts after the lender ditched goals to curb greenhouse gas emissions.

Eighteen Republican-led states had been investigating whether Wall Street banks' net zero policies violated antitrust and consumer protection laws and restricted financing. Wells Fargo said last month it was discontinuing its 2030 and 2050 targets related to net zero emissions.

Tennessee Attorney General Jonathan Skrmetti said the multistate investigation

into other banks was continuing.

More: [Bloomberg](#)

### Schneider Electric to Invest \$700M in US Operations

Schneider Electric last week said it is planning to invest over \$700 million in its U.S. operations through 2027 to support the nation's energy infrastructure to power AI growth, boost domestic manufacturing and strengthen energy security.

The company's latest investment, along with previous investments in 2023 and 2024 to strengthen its North American supply chain, will surpass \$1 billion.

More: [T&D World](#)

### Hyundai Celebrates Opening of \$7.6B EV Plant in Georgia



Hyundai last week celebrated the opening of its new \$7.6 billion electric vehicle factory in Georgia

by announcing plans to expand its production capacity by two-thirds to a total of 500,000 vehicles per year.

The plant, which spans 3,000 acres and churns out a finished vehicle about once a minute, is currently producing two electric SUV models — the Ioniq 5 and the larger Ioniq 9 set for release this spring.

More: [The Associated Press](#)

## Federal Briefs

### SCOTUS Declines to Hear Young Climate Activist Case



The Supreme Court last week declined to hear a petition filed by young climate activists who argued the federal government's role in climate change violated their constitutional rights, ending a decadelong legal battle that saw many of the plaintiffs grow from children and teenagers into adults.

The case was filed in 2015 by 21 plaintiffs, the youngest of whom was 8 years old. They claimed the U.S. government's actions encouraging a fossil fuel economy violated their right to a life-sustaining climate. At one point in 2018, a trial was halted by Chief Justice John Roberts just days before it was to begin.

Last year, acting on a request from the Biden administration, a three-judge 9th Circuit panel issued an order requiring

the case be dismissed. The plaintiffs then sought, unsuccessfully, to revive the lawsuit through their petition to the Supreme Court.

More: [The Associated Press](#)

### MARAD Approves Delfin Midstream Offshore LNG Port

The Department of Transportation's Maritime Administration (MARAD) last week issued a license to Delfin LNG for the construction and operation of the nation's first offshore liquefied natural gas export deepwater port.

The license grants Delfin LNG the authority to own, construct, operate and eventually decommission the facility, which will be located between 37.4 and 40.8 nautical miles off Louisiana's Cameron Parish coast.

The port will use existing pipelines to support up to three floating LNG vessels, with a total production capacity of 13.2 million tons of LNG per year.

More: [Offshore Magazine](#)

### Genatowski to Lead DOE LPO

Lane Genatowski, who served as the director of the Advanced Research Programs Agency for Energy under the first Trump administration, will lead the Loan Programs Office, effective immediately.



Genatowski first arrived at DOE in 2018, starting out as senior adviser to the undersecretary for science. Before that, he worked as managing director of power and utilities at JP Morgan

and Bank of America.

Genatowski replaces John Sneed, who departed last week.

More: [Latitude Media](#)

### Trump Fires TVA Board Member Moore

President Donald Trump last week fired Michelle Moore from the Tennessee Valley Authority Board of Directors, according to a filing to the Securities and Exchange Commission.

Moore, an energy nonprofit executive initially nominated by President Joe Biden in 2021, was set to stay on the board until May 18, 2026.

The termination came exactly one week after state Sens. Marsha Blackburn and Bill Hagerty wrote an op-ed targeting the TVA board and calling for the Trump administration to replace them.

More: [Knoxville News Sentinel](#)

# State Briefs

## CALIFORNIA

### Newsom Suspends Laws to Speed Rebuilding After Fires



In an effort to expedite rebuilding after Los Angeles' devastating firestorms, Gov. **Gavin Newsom** last week suspended state environmental laws for utility providers working to reinstall key infrastructure.

The executive order eliminates requirements to comply with the California Environmental Quality Act and the California Coastal Act for utilities working to rebuild "electric, gas, water, sewer and telecommunication infrastructure" in the Palisades and Eaton fire burn zones. The move builds on Newsom's prior executive orders that exempted work rebuilding homes and businesses destroyed or damaged by the fires as well as wildfire prevention efforts from the two environmental laws.

Newsom also encouraged the undergrounding of equipment when feasible.

More: [Los Angeles Times](#)

## DELAWARE

### Senate Passes Resolution to Explore Nuclear Energy

The state Senate last week passed a resolution to explore the feasibility of nuclear energy, creating a task force to assess its potential benefits and challenges.

The resolution establishes the Delaware Nuclear Energy Feasibility Task Force, which will evaluate the viability of small modular reactors as part of the state's energy portfolio.

It now heads to the House.

More: [WRDE](#)

## IOWA

### House Votes to Ban Eminent Domain for CO2 Pipelines

The state House last week voted 82-12 to approve a bill that would stop liquefied carbon dioxide pipelines from using eminent domain.

The bill would take effect in May and ap-

ply to any eminent domain filings made on or after that date.

Six other bills related to carbon sequestration pipelines, eminent domain and the Utilities Commission were combined into one bill, which also advanced.

More: [Iowa Capital Dispatch](#)

## MINNESOTA

### Xcel to Issue \$48M Refund for 2011 Coal Plant Disaster

Xcel Energy will refund customers \$48 million for costs related to a 2011 catastrophic equipment failure at the company's Sherco coal plant in Becker.

The Public Utilities Commission ordered the refund in October, agreeing with an administrative law judge who found that Xcel was partly responsible for the disaster that sidelined a massive generator at Sherco for almost two years. The refund is for the cost of replacement power, which Xcel billed to customers, in place of the electricity Sherco's Unit 3 would have generated.

The refund will be distributed in April and give back about \$12 for the average household.

More: [The Minnesota Star Tribune](#)

## MISSOURI

### Evergy Announces Plan for Natural Gas Plant



Evergy last week announced plans to construct a 440-MW natural gas power plant in Nodaway County.

According to filings with the Public Service Commission, Evergy plans for the simple-cycle natural gas plant to begin construction in the fourth quarter of 2026 or first quarter of 2027 and be operational by Jan. 1, 2030.

The plant is the third of three natural gas plants announced by the utility since last year, joining two others in Kansas.

More: [Maryville Forum](#)

## NEW YORK

### NYC Pension Funds to Double Down on Climate Commitments

New York City Comptroller Brad Lander, who oversees five major retirement funds

collectively managing around \$284.2 billion, last week pledged to increase climate disclosures and step up investments in climate solutions.

The New York City pension funds have long taken a stance on climate change, divesting from fossil fuel reserve owners in 2018 and becoming the first major city pension fund to introduce fossil fuel divestment policies. In 2023, they voted to exclude upstream fossil fuel investments across their private markets holdings.

NYCERS, TRS and BERS, the three funds backing the divestments, say they have exceeded their interim targets and have brought down their Scopes 1 and 2 financed emissions by more than 30%.

More: [Net Zero Investor](#)

### NYPA Takes Ownership of Somers Solar Project



Gov. **Kathy Hochul** last week announced that the New York Power Authority (NYPA) has acquired full ownership of the Somers Solar project in Washington County.

The 20-MW project is the first to be acquired, owned and operated by the NYPA under its expanded authority, which was signed into law by Hochul in 2023.

More: [New York State](#)

## RHODE ISLAND

### PUC Approves Summer Rates, Has Legislation Filed in Response

Rep. Megan Cotter, in partnership with the Acadia Center and the Conservation Law Foundation, introduced legislation last week to create an intervenor support program that would fund customers' participation in hearings about ratemaking and other issues before the Public Utilities Commission.

The legislation is a result of the PUC approving higher summer rates for Rhode Island Energy, which will total about \$142 for the average residential customer. Part of the reason the new rates were approved, despite public comments and protests, is that community members lack the necessary resources to get a seat in the rooms where decisions about



energy are being made. The bill would enable individuals or organizations seeking legal representation to take part in evidentiary hearings at the PUC and the Energy Facility Siting Board.

By including the Energy Facility Siting Board, the program would also provide resources to those hoping to intervene in cases related to solar and other energy

infrastructure development.

More: [Inside Climate News](#)

## VIRGINIA

### Danville Approves New Battery Storage Facility

The Danville City Council last week approved plans for a battery storage facility.

Danville has an existing battery storage unit, but the growing population has increased demand beyond the capacity of a single unit.

Construction is expected to begin later this year, with completion anticipated by May 2026.

More: [WSET](#)

## ENERGIZING TESTIMONIALS



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